

The NATIONAL UNDERWRITER

WHEN THINGS GET ROLLING



HOMETOWN AGENTS
representing companies
of the
Fireman's Fund Group
WILL ROLL TOO!

The NAIA Bank and Agent Auto Plan has sounded the keynote—laid the foundation—for the Hometown Agent and the Hometown Banker to get together and keep automobile and appliance financing at home where it belongs and where it can continue to enjoy the advantages of Hometown Agency Service.

Looking forward to the insurance opportunities that this will create for its agents, Fireman's Fund will soon announce a constructive program designed to motivate and augment the Bank and Agent Plan—to help you get and hold this preferred business in your community.

WATCH FOR ANNOUNCEMENTS

Fire • Automobile • Marine



Casualty • Fidelity • Surety

FIREMAN'S FUND GROUP

Fireman's Fund Insurance Company
Fireman's Fund Indemnity Company
Home Fire & Marine Insurance Company
Western National Insurance Company
Western National Indemnity Company

SAN FRANCISCO • NEW YORK • CHICAGO • BOSTON • ATLANTA

THURSDAY, JANUARY 31, 1946



The REWARDS of LEADERSHIP

Pioneering often is the privilege of the young. Yet... there is one company which hasn't stiffened with age. Curiously enough, it's the *oldest* Capital Stock Insurance organization in America. Yet it has the get-up-and-go of a teen-ager, backed by the wisdom of 153 years' experience.

The rewards of such leadership are many. Agents find it pays to represent one of the Insurance Company of North America Companies—in increased business, because they can be first with the latest in the public interest, as well as in internal satisfaction of being a part of one of America's leading Fire and Casualty insurance groups.



INSURANCE COMPANY OF
NORTH AMERICA
COMPANIES. *Philadelphia*

INSURANCE COMPANY OF NORTH AMERICA
THE ALLIANCE INSURANCE COMPANY OF PHILADELPHIA

INDEMNITY INSURANCE COMPANY OF NORTH AMERICA
PHILADELPHIA FIRE AND MARINE INSURANCE COMPANY

KEEP AMERICA BUSY — GIVE A RETURNED VETERAN A JOB!

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Teachers Group Holds Annual Parley at Cleveland

**Record Attendance—C.
A. Kulp President: Stone,
Diemand Featured**

NEW OFFICERS ELECTED

President—C. A. Kulp, University of Pennsylvania.
Vice-president — J. A. Fitzgerald, University of Texas.
Secretary-Treasurer — C. A. Kline, University of Pennsylvania.
New member executive committee—J. M. Breen, Lumbermen's Mutual Casualty, Chicago. Holdover members—F. G. Dickinson, University of Illinois, (immediate past president); C. M. Parry, Metropolitan Life, New York; J. E. Hedges, Indiana University.

By JAMES C. O'CONNOR

A. N. Guertin, Chicago, actuary American Life Convention, was awarded the Elizur Wright insurance literature prize of the American Association of University Teachers of Insurance at the conclusion of the meeting in Cleveland last week. The award, which is made annually for the best insurance writing during the past year, and includes a cash stipend of \$250, was the climax of the first meeting of the association since 1941.



C. A. Kulp

The meeting broke all records for attendance and the full and timely program met with the approval of everybody. Dr. C. A. Kulp, University of Pennsylvania, the new president, arranged the meeting in his former capacity as vice-president. Both he and Prof. F. G. Dickinson, University of Illinois, the outgoing president, received many compliments on the fact that the insurance teachers' group drew the largest attendance of any of the educational bodies meeting at the same time, including the more publicized American Statistical Association and American Economic Association, to which many of the insurance professors also belong.

Will Meet in December

This was officially the 1945 meeting of the group, which usually meets in December along with the other organizations. President Dickinson announced that the 1946 meeting will be held in December and it is hoped that the association will be able to resume annual meetings on a regular basis from then on.

The conditions of the Elizur Wright prize permit the association to skip an award during any year in which, in its opinion, no outstanding piece of insurance literature has appeared, or, not oftener than once every three years, to make the award for insurance writing published previous to that year. The latter option was exercised in the case of Mr. Guertin. He received

(CONTINUED ON PAGE 13)

Prov. Wash. New President Is Carey

**Former Executive Vice-
president Takes Over
Helm from Luce**

PROVIDENCE—Stephen W. Carey, 3rd, has been elected as president and director of Providence Washington to succeed F. B. Luce.



S. W. Carey, 3rd

H. T. Phinney, who was formerly secretary, was elected vice-president, and H. E. Hill will take his place as secretary of the board of directors.

G. H. Angell and W. T. Rathbone, who were formerly assistant secretaries in charge of inland and ocean marine business respectively, and J. W. Sutcliffe, who was in charge of the automobile department, were all promoted to secretaries.

G. B. Salter was promoted from assistant secretary to secretary and W. B. North was added as assistant treasurer.

Mr. Carey resigned a year ago as executive vice-president of Appleton & Cox to become executive vice-president of Providence Washington. He had been with Appleton & Cox 24 years and had been a most influential figure in marine circles.

Marshall Slated for F.U.A.P. President

SAN FRANCISCO — Clyde M. Marshall, assistant manager of the Aetna Fire's Pacific Coast office in San Francisco, has been nominated for president of the Fire Underwriters Association of the Pacific and is expected to be elected at the annual meeting March 6-7. Vice-president the past year, he will succeed Harry W. Nason, secretary of the Pacific department of America Fore.

Lee S. Gregory, assistant vice-president of Fireman's Fund, has been nominated for vice-president and H. L. Simpson, retired, secretary-treasurer. For the executive committee, Mr. Nason, Mr. Marshall, Mr. Simpson, Mr. Gregory, J. M. Wylie, George Whitney, E. W. Trenbath of Seattle, R. Lynn Colomb, Paul F. McKown and Malcolm Cravens have been selected.

Thomas E. Green of Hartford Fire is nominated for the educational committee for three years as well as L. M. Barker of Fireman's Fund.

If the association adopts an amendment to the constitution to enlarge the educational committee, Hugh S. Coburn, Home, and R. E. Swearingen, America Fore, will be added.

I.U.B. Officers Reelected

Officers of the Interstate Underwriters Board governing committee have been reelected. George H. Duxbury, North British, is chairman; James F. Crafts, Fireman's Fund, vice-chairman; John R. Dumont, secretary-manager, and J. C. Evans, Great American, was elected treasurer to succeed H. C. Conick, Royal-Liverpool. New governing committee members for three years are: Walter W. Corry, National Fire; E. A. Dunn, Crum & Forster; Herbert A. Ehlen, Yorkshire; Ivan Escott, Home; Harry W. Miller, Commercial Union.

Crafts Fireman's Fund President

**Executive Vice-president
with Boston Headquarters
Succeeds Hannah**

SAN FRANCISCO—James F. Crafts was elected president of the Fireman's Fund group of companies at meetings of the boards Tuesday. He succeeds the late Charles C. Hannah, who died Jan. 20.

Mr. Crafts joined Fireman's Fund in 1930 as assistant manager of the eastern department and in 1938 became manager. He was elected vice-president in 1941, second vice-president in 1943 and first vice-president later in the same year. At 47 he is one of the youngest men to be elected president of a major group of insurance companies. He is now at San Francisco.

Mr. Crafts attended Columbia University. He started with Queen in the brokerage and reinsurance department; he entered the New Jersey field five years later and subsequently was transferred to western New York. He later was named assistant secretary.

Mr. Crafts is known as a man of progressive views. He is credited with having been the main influence in bringing into existence the modern household contents form with 10% off premises cover.



James F. Crafts

Ward Elected Head of ADT

E. A. Ward, recently elected president and a director of American District Telegraph Co. and its controlled companies, succeeds C. C. Johnson, who retires after 46 years of service with A.D.T.

L. T. Haugh, who has been in charge of commercial activities for 13 years, was elected a vice-president.

Mr. Ward joined A.D.T. in 1921 as secretary and auditor, was made a vice-president in 1929 and executive vice-president in 1936. Mr. Haugh has served the organization in various capacities since 1911.

Mr. Johnson, one of the pioneer members of A.D.T., has played an important part in its growth.

A. E. Smith, member of the executive office commercial department staff since 1931, succeeds Mr. Haugh as general commercial superintendent. He was formerly with the Aero Alarm Co. and served as captain in the first war and as a colonel in the second.

Planet Indianapolis Setup

Francis A. Hackett, manager at Indianapolis for Standard Accident, has been named manager of Planet as well. E. M. Curry, manager of the bonding department, will act as assistant manager of Planet.

On the March to Multiple Line Writing: Diemand

**No Longer Academic
Question, North America
Head Tells Teachers**

CLEVELAND—"We are on the march toward the goal of multiple line writing power," President John A. Diemand of North America declared in addressing the meeting here of the American Association of University Teachers of Insurance.

The question of extending multiple line underwriting powers is not one for theoretical debate, he declared. The question is real, the problem is here and it must be dealt with by all the state commissioners.

Massachusetts, Pennsylvania, New Jersey and North Carolina have enacted the necessary legislation. The Missouri legislature has acted favorably on a multiple underwriting bill and the state of Washington is expected to include such a provision in its proposed insurance code.

Companion Legislation Unnecessary

In so doing, Mr. Diemand declared, these states found it unnecessary to change the law, eliminate any requirement with respect to reserving or licensing and they did not affect any law or practice in connection with commissions or statistical reporting, nor did they eliminate from their statutes present mandatory requirements in connection with clauses or contracts of insurance.

He expressed the hope that every state will soon enact into law the recommendations of the commissioners committee, which consisted of an endorsement of the proposals of the industry committee, headed by Mr. Diemand, for multiple line underwriting in foreign countries, multiple line reinsurance everywhere, full cover automobile and aircraft writing and the personal property floater.

Mr. Diemand said that if American insurance ever hopes to emulate the British in their foreign operations, multiple line underwriting powers are essential. He went on to champion and give the reason for each of the Diemand committee recommendations and he assailed the organized opposition as represented by the brief of the Association of Casualty & Surety Executives presented June 3, 1944.

Opposition Brief

"The opposition brief," he said, "is a complete denial of the merit or the necessity for multiple line powers either in this country or abroad. It denies everything, admits nothing and predicts chaos in the business if the idea of multiple line underwriting is generally accepted." The opposition sees difficulties in including all exposures for any one assured under a single contract. It concludes that British insurers find the multiple privilege of their charters a handicap.

"Using the straw man technique," Mr. Diemand said, "it demolishes the contention that lack of multiple line underwriting authority has thwarted American insurance efforts abroad and stresses the obvious fact that American insurance has been so occupied with

(CONTINUED ON PAGE 13)

Western Adjustment '45 Loss Record Tells Sad Story

Wind Losses Outnumber 1940 Armistice Day Storm—Officers Reelected

A big increase in number of losses during 1945 with particularly heavy accent on the windstorm category, were reported by Roy A. Sellery, secretary and manager, at the annual meeting of Western Adjustment at Chicago Monday. The total number of losses handled in 1945 was 339,267 which compares with 286,462 the previous year. Fire insurance losses were 1,487 greater in number at 100,471. Automobile losses totaled 74,556, increase 18,250. There were 32,430 more windstorm losses, the total being 145,094. Inland marine losses were 18,842, up 501, and aircraft 304, an increase of 137.

J. C. Harding, Springfield F. & M., president, and all other officers were reelected. Vice-president is E. A. Henne, America Fore. Mr. Sellery is secretary-treasurer; R. R. Lippincott and J. H. Burlingame, Jr., assistant secretary-treasurers.

Charles H. Smith, Hartford Fire, was elected a director to succeed C. E. Wheeler and E. H. Forkel, National Fire, succeeds L. R. Hanawalt. Directors reelected were W. N. Achenbach, Aetna Fire; S. M. Buck, Great American; Mr. Henne, John Rygel, Hanover and G. C. Long, Jr., Phoenix of Hartford.

Five Year Record

Mr. Sellery gave a recapitulation of the losses for the past five years. In 1941 the number was 406,690; 1942, 337,996; 1943, 295,888.

Fire losses reached an all time high in the closing months of the year and automobile and inland marine work continued to increase. Windstorm losses reached catastrophe proportions in April and May, there was a heavy series of losses in June and again in August and September. Twenty-four communities suffered from major storms and required the services of many relief adjusters. Even the great Armistice Day storm of Nov. 11, 1940 was outstripped and an all time high was established for losses under the extended coverage endorsement. This work put a severe strain on the depleted manpower.

Losses under \$1,000 ran close to 87% of the total. More than 1,600 losses in the \$5,000 to \$50,000 group produced claims in excess of \$20,300,000 and 116 losses of more than \$50,000 were worth about \$15 million. The largest single loss was \$500,000.

Cleveland Gas Explosion

The work of handling claims resulting from the Cleveland gas explosion Oct. 20, 1944 continued throughout most of the year. Most of these claims have now been concluded with but little payment by insurers. East Ohio Gas Co., on certification by company adjusters, reimbursed claimants for well over \$1½ million.

U. & O. and other income losses were about the same in number and dollars of loss. There were 349 U. & O. losses totaling \$3,563,942 against a property damage of \$6,282,574. In 38 of the larger cases the U. & O. loss exceeded the property damage. There were more than 300 rent losses but of these only 27 were more than \$1,000. The rent losses totaled \$155,685. Shortage

(CONTINUED ON PAGE 28)

Colridge Urges Agencies to Add Manpower Today

DETROIT—Frank Colridge, executive secretary of the National Association of Insurance Agents, in addressing the annual banquet of the Detroit Association of Insurance Agents recommended that local boards appoint committees at once to examine the constitution and by-laws to make sure they do not violate federal requirements. Legal counsel should be obtained to make sure that none of the local regulations are contrary to the provisions of public act 15.



R. W. Wolf



F. C. Colridge

N.A.I.A., he said, is now at work on a standard constitution and by-laws for local boards and will have its recommendations available shortly. Most small city boards are not in violation, but many of the metropolitan area boards, particularly those with in-and-out rules, will have to change.

Since the agency system may have to justify its existence, now is the time for agencies to make cost studies so they will be in a position to justify their commissions.

Returning service men should be used to strengthen even the small one-man agencies, he declared. Michigan has an excellent training program for returning service men and it should receive full support. Every agency should have more manpower than is needed right now for the volume it is doing in order to increase that volume and no matter how many are added to the staff it will not be too many in view of the potential business that might be done.

Among the service men will be thousands who would fit into insurance as agents and solicitors. Every agency should place one or more of these men on its force.

Next month the National Board is launching an intensive advertising campaign to point out to the public that insurable values have been rising steadily in recent years and that now is the time to have their agents examine their policies and make sure that they are adequately covered in view of high replacement costs.

Commissioner Forbes and R. C. Des Autels, director of the agency licensing division of the department, were introduced. At the speakers' table were many of the "wheel horses" of the association including several past presidents: A. G. Crandall, J. J. Driscoll, Ed. Karrer, A. I. Dreifus, Charles Freese, D. T. Marantette, Fred Esper, Walter Cary, J. A. Grow, Phil Marion, L. R. Hamann, Pierce Bland, Walter Halla, H. L. Newman, and W. A. Doyle.

Seven directors were elected to create the 15-man board recently authorized. The new directors are: J. P. Moore, F. V. Rudd, P. E. Hinckley, F. J. Schaden, George Zimmerman, Cass Piotrowski, and Robert Nessley. The new board will meet shortly to select officers for the year.

President R. W. Wolf of the Raymond & Raymond agency presided.

Iowa Mutual Agents to Meet

A meeting of the Iowa Mutual Insurance Agents Association will convene April 8-9 in the Kirkwood hotel, Cedar Rapids, Ia.

Charleston Loss \$1½ Million

CHARLESTON, W. VA.—With outside temperature at 18 above zero fire broke out at 3 a.m. Sunday in a building here occupied by a printing house. Within two hours flames had engulfed 10 business buildings covering two city blocks in the heart of the city. The cause is undetermined. Damage is estimated at \$1½ million.

The fire department got the fire under control late Sunday afternoon with 10 city fire divisions continuing to fight small fires throughout Sunday night and Monday morning.

Describe Buildings Damaged

Buildings damaged were those occupied as chain warehouse, automobile display and garage, leather goods store, hardware store, wholesale clothing plant, jewelry shop and printing plant all located at 811 through 905 South Virginia street.

Two large wholesale dry goods and notion houses directly across the street were saved from a possible additional \$1½ million loss due to sprinkler systems. The damage there is possibly \$50,000. Also the nearby Ruffner hotel was damaged in like manner. All buildings destroyed were apparently pretty well covered by insurance and a large portion of insurance in effect was carried by mutual and reciprocal companies.

Inspection Bureau Reports on Big Cicero Fire

Cook County Inspection Bureau has gotten out a report indicating a near \$2 million loss from the fire in the Borin Art Products Corp. and Western Tire Auto store in Cicero, Ill., last month.

The Borin Art Products suffered a total loss on \$198,000 building cover, \$265,000 contents, and \$576,000 U.&O. The total loss estimate for Western Tire is \$100,000 on the building, \$250,000 on contents and \$500,000 U.&O.

The Brad-Foote Gear Works, an adjoining building, suffered roof damage estimated at \$49,000 and U.&O. of \$18,000.

The fire was preceded by an explosion in the Borin building and because of the combustible nature of the contents, the size of the building and the fact that the sprinkler equipment was out of service, a total loss resulted despite fire department efforts. The fire spread to the adjoining sprinklered plant of the Brad-Foote Gear Works and the operation of about 90 heads was effective in controlling the fire.

Tank Had Been Drained

The gravity tank supply in the first two buildings had been drained eight days prior to the fire to make repairs to the piping. The work necessitated removal of the tank boxing, which was not started because of the severe cold weather and ice formations.

The bureau recommended that such a highly valued sprinklered risk should have a secondary source of water supply. It was noted that the automatic sprinkler protection in the Brad-Foote Gear Works was sufficient to halt the spread of fire.

It was also observed that the city water supply was insufficient because of breakage of a four-inch and two two-inch domestic connections supplying the property.

The bureau has also put out a report on another recent large Chicago fire in which there was trouble with the sprinkler system. This was the loss at Midwest Textile By-Products, Inc. and Eagle Picher Lead Co., 440-05 South Western avenue, Dec. 26. The total loss estimate is \$183,000.

The sprinkler system here failed to control the original fire because all of the heads on the fifth floor had fused during the time that the system had been shut off to replace fused heads on the third and fourth floors.

C. J. Cover Makes Some Guesses as to Court Holdings

Lincoln Nat'l Counsel Puts Magnifying Glass on PL 15

CLEVELAND—The prediction was made by Clyde J. Cover, in addressing the annual meeting of the American Association of University Teachers of Insurance here that the U. S. Supreme Court will uphold state tax and licensing statutes if they can be demonstrated not to be discriminatory against insurers of other states; that it will uphold statutes excluding a type of business regarded as inimical to public welfare, provided no discrimination is shown in favor of residents interested in the same type of business and that it will also uphold statutes regulating reserve, investments, agents and other aspects of the business provided foreign insurers are not placed as to them in a disadvantageous position.

Mr. Cover is assistant general counsel of Lincoln National Life.

The speaker examined public law 15 sentence by sentence with a magnifying glass and produced a lengthy critique that will be read with much interest by students of the big question of the how when it is printed. Mr. Cover skipped many portions of the manuscript in giving his talk.

Should Attempt to Frame Laws

One of his conclusions is that much difficulty will be experienced in formulating state legislation that completely parallels the Sherman, Clayton and federal trade commission acts. However, this should not discourage the states from attempting to formulate such legislation because these acts are for the most part evocable by the federal trade commission and federal district attorneys.

These officials, in the face of the declaration of Congress that the state shall have power to regulate and tax insurance, he predicted, will not be overzealous and technical in their enforcement.

Although relief after Jan. 1, 1948 from the application of the Robinson-Patman act is not clearly provided for in public law 15, the states should nevertheless enact parallel laws in the hope that Congress will eventually amend PL 15 so as to extend to such acts the treatment accorded to the Sherman, Clayton and FTC acts.

As to the section in PL 15 which declares that the business of insurance and every person engaged therein shall be subject to the laws of the states . . . Mr. Cover predicted that the Supreme Court will adhere to its decision in the S.E.U.A. case even though, as an original proposition three and possibly five of the justices would have disposed of the case without concluding the constitutional issue. Assuming that a majority of the court is partial toward state jurisdiction, its decisions will nevertheless follow general principles having universal application to all fields of interstate commerce. Insurance being interstate commerce will have to conform to the general rules applicable to that subject or otherwise the subject would soon become honeycombed with special exceptions and instances.

No Delegation of Power

This section cannot be applied as a delegation of power because to do so would effectively permit Congress to circumvent the constitution. Neither can the section be applied as an adoption of state laws by Congress because to do

(CONTINUED ON LAST PAGE)

VA On-the-Job Training Pushed in Insurance

G.I. Bill Entitles Vet to Subsidies While Training

The Veterans Administration is pushing installation of on-the-job training courses for veterans in insurance offices throughout the country to provide servicemen the substantial salary subsidies to which they are entitled while training for a job under the Servicemen's Readjustment Act.

Under Public Law 346, commonly known as the GI Bill, war veterans in training in insurance or any other business are entitled to supplemental pay from the V.A., providing their employers show evidence that they have a definite training program for veteran-employees.

Pay to Close the Gap

Administration officials point out that the supplemental pay offered to veterans in training is designed to help close the gap between the actual amount a veteran is receiving and the salary he will receive after he is fully trained.

Under the GI Bill, a veteran without dependents working in an approved on-the-job training program is entitled to a supplemental income from the Veterans Administration of \$65 per month, while a veteran with dependents may receive \$90. No allowance is made for more than one dependent. Disabled veterans who fall under the provisions of Public Law 16 draw the same amounts for on-the-job training in addition to any other pensions or allowances they may receive from the government.

Vet Receives Differential

A veteran will not necessarily receive the maximum amount allotted to his class. His income from the V.A. is dependent upon the differential between the actual salary he is receiving and the amount his employer pledges himself to pay him when he completes training for a specified job.

An example would be a married veteran entitled to \$90 per month from the V.A., who was receiving an actual salary of \$150, and whose employer had certified that his objective salary at the end of training would be \$250. The veteran would receive the full \$90 until the employer raised his actual salary to within less than \$90 of the objective. If the salary were raised to \$200 per month, the veteran would draw only the difference between \$250 and \$200 or \$50 from the government.

There are no limitations upon the size of the office which may obtain on-the-job allowances for veterans in training. There may be 100 veterans in the program or just one, so long as the employer has had the program approved and the veteran is certified.

Encourage Blanket Approval

The Veterans Administration encourages companies and organizations within the industry to obtain blanket approval for training which would cover branches or member offices. However, branch or member offices must have their programs approved in the states in which they are located, no matter where the parent office may be. The power of approval of an on-the-job training program lies jointly with the individual state and the local branch of the Veterans Administration.

The procedure for drawing up and obtaining approval for a job training program

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Seek Lessons in Chicago Fire



Fire prevention engineers are much interested in learning, if possible, the lessons that the \$400,000 fire loss to Joslyn Manufacturing & Supply Co. in Franklin Park near Chicago have to teach. It seems to be quite certain that the fire started by an ignition of vapor above the creosote tanks by an electrical short circuit. However, it has not been established what permitted that vapor to accumulate. The fire insurance record with creosoting operations has been good. American Creosoting Co. in the early days suffered some losses which

were traced to leaky doors and joints. Those situations were corrected and the line has given a good account of itself until the Joslyn fire.

Insurance on the Joslyn plant amounts to \$600,000 being divided: Alliance, Pa., \$100,000; Commercial Union, Badger Mutual Fire and West Bend Mutual, \$50,000 each; London Lloyds \$119,275; Union Mutual Fire, \$108,225; Louisville Fire & Marine, \$97,500 and Emmco, \$25,000.

A. T. Persson of Wagner & Glidden and Frank L. Erion are coadjutors.

Travelers Home Office Promotions

In a series of home office promotions, Travelers has named Henry M. Spencer vice-president in charge of the mortgage loan department; Frederick A. Davis manager of city mortgage loans and Roger C. Wilkins manager of farm mortgage loans. Donald Douglas has been appointed assistant manager of city mortgage loans.

Mr. Spencer, who has been manager of the mortgage loan division, entered that division with the company in 1907 as an office boy. He was made assistant manager of the division in 1929 and manager in 1936.

Joined Travelers in 1926

Mr. Davis has been assistant manager of city mortgage loans. A graduate of Dartmouth College, he joined Travelers Fire in 1926 and a few months later transferred to the mortgage loan division. He was made assistant manager in 1936.

Mr. Wilkins joined Travelers in 1929 and was made assistant manager of the mortgage loan division in 1936. He was educated at the University of Maine and served two years in the Pacific as an air intelligence officer in the navy, returning late last fall.

Mr. Douglas is a native of Scotland and received his education there, coming to Canada in 1913. During World War I he served in the Canadian army. He was in the contracting business in Detroit until 1935 when he joined the mortgage loan division of Travelers in the Detroit branch. Prior to that he had done work for the company on appraisals. He went to the home office mortgage loan division in 1938.

In another promotion, John F. Moriarty becomes assistant secretary of the accident department. He has been with Travelers since 1919 as an underwriter.

Large Loss Fires Reach New High

25% of Total Damage Caused by 163 Individual Blazes in 1945

National total of large-loss fires reached a new high last year, according to statistics of the National Fire Protection Association. Fires individually causing at least \$250,000 in damage numbered 163, more than twice the number in 1942. In 1944 a total of 122 were reported.

These large fires alone caused \$122 million in property damage in the U. S., Canada and Alaska, representing approximately 25% of the estimated total national loss of \$455 million.

Airplane hangars, warehouses, mercantile stores and metal-working plants led the list of occupancies suffering the greatest number of large loss fires.

The National Fire Protection Association commented: "Lack of adequate private fire protection such as automatic sprinklers or fire alarm systems featured in 116 of these large loss fires, closely followed by such factors as inferior construction, excessive areas, congested stocks, high-valued material, lack of fire doors or vertical fire cut-offs, and the presence of flammable liquids and gases."

Hangars Cause Largest Losses

Largest losses involved aircraft hangars. The collapse of three hangars at the naval air station near Richmond, Fla., on Sept. 15, where 360 planes were lost by fire after a hurricane and the crash at Wright Field, Dayton, March 6, were the two outstanding incidents of this class. Total hangar losses reached \$36,375,000.

More large fires occurred in warehouses than in any other single type of structure. Losses totaled \$22,835,000 in 37 cases, making the average loss about \$617,000. The largest single warehouse loss was at Depot Harbor, Ont., where \$3,000,000 of wool and cordite was destroyed. No private or public protection was available, the buildings were of frame construction.

In 20 of 26 fires involving mercantile stores, origin could not be determined because of delayed discovery. More than three-quarters of such fires occurred at night after stores were closed.

Store Owners Lose \$10 Million

It was estimated that large fires alone cost store owners about \$10 million, although some of the loss was shared by apartment dwellers and offices occupying upper stories of mercantile properties.

Central, mid-Atlantic and west coast areas each experienced about 30 big fires, while the southeast and southwest had 14 each. New England, the deep South, and the midwest suffered the least with nine, nine and six respectively. Canada had 17 and Alaska 2.

Among manufacturers, metal-workers experienced \$10,835,000 loss in 17 fires. Large damage at individual plants has been attributed chiefly to high-valued machinery, unbroken areas subject to one fire and introduction of new fire hazards, without corresponding improvements in fire prevention measures.

Twenty-two of these fires occurred at plants outside city limits and correspondingly beyond normal fire protection areas and 30 such fires happened in towns having less than 5,000 residents with volunteer or only part-paid fire departments available. Contrasted with this fact, the 10 largest cities experienced only 21 of the total.

In terms of lives, fires causing smaller losses took the heaviest toll. More than 10,000 persons died by fire in the U. S. and Canada in 1945, according to preliminary reports. The vast majority of these occur in the estimated 1,000 home fires which occur daily and average less than \$500 in damages.

Minn. Editors Told of U. & O. and Extra Expense Cover

Wheaton Williams, vice-president of the Fred L. Gray Co. of Minneapolis, and L. B. Stephenson, secretary of the same general agency, appeared on a panel of the Minnesota Editorial Association state convention at St. Paul.

This part of the program started out by Frank Borgen of the Hutchinson "Leader" and C. D. Blakeslee of the North Branch "Review" telling of the fires their plants had experienced during 1945. Inasmuch as the Hutchinson "Leader" found facilities with which to continue in publication and the North Branch "Review" had to suspend operations until a new building is built, Mr. Williams had an excellent opportunity to explain how extra expense insurance would have been of great value to the former while use and occupancy protection would have been important to the latter.

Mr. Williams used large charts to tell his story about sound values, loss adjustments, the application of the coinsurance clause and the difference between extra expense and use and occupancy insurance. Mr. Williams and Mr. Stephenson were asked many questions.

Mr. Borgen paid compliments to H. R. Kurth, local agent of Hutchinson, and to the insurance companies for the prompt and fair adjustments and urged all Minnesota newspaper men to place their insurance with local agents. This sentiment was reiterated by Mr. Blakeslee and emphasized by Mr. Williams.

OK Term Plan in Georgia

The five-year installment premium plan of Rhode Island Ins. Co. has been approved in Georgia. Such approval had previously been obtained in Indiana. This provides for paying the full annual premium the first year and 80% in each of the succeeding four years.

Dressel Counsels Caution on Housing Investment Moves

CLEVELAND—Although the investment laws should be amended to permit insurers to engage directly in housing development, Superintendent Dressel of Ohio in addressing the annual meeting of the American Association of University Teachers of Insurance here, voiced the belief that life companies should not enter into the housing or building construction business on a large scale. The risk, he declared, is too great. The matter should be given careful study before the barriers are let down too far. Such investments seem to be presently remunerative but the question is whether they will continue to pay out.



Walter Dressel

Mr. Dressel touched briefly on numerous topics and vouchsafed his opinion.

He expressed the hope that by the time the Ohio legislature meets in 1947, all hands will have gotten together on fire and casualty rating legislation. He charged that the industry had not cooperated in this area and as a result the commissioners' committee felt obliged to draft bills of their own. He spoke with approbation of those measures.

If, and when, rate regulation laws are enacted, the department will have the problem of administration. It will be difficult to get the necessary trained personnel within the salary range of public employees. He suggested that some university might offer instruction leading to such employment.

As to national health insurance, he said that the question is whether the insurance industry has properly served the public in the past and whether it is properly serving the public now. He said that in the main he would answer in the affirmative but he pointed out that most of the complaints against companies reaching the Ohio department are against accident and health insurers.

To head off socialized medicine, he said efforts are being made to provide prepaid medical care through private sources. He said he wishes them luck, but that he had recently licensed a company for this purpose and he said he wonders whether its contract will provide the public with proper service.

The matter of the validity of premium tax laws is of the utmost importance. He said that a sincere effort was made to remove the discriminatory feature of the Ohio law, but without success and now the Ohio department is faced with a series of suits by foreign insurers to have the law declared unconstitutional.

Mr. Dressel declared that the requirements and standards for licensing agents should be maintained at a high level and qualification laws should be strengthened. Many of the complaints that reach the departments are attributable to poor selling on the part of agents. When the importance of insurance is considered, together with the technical and legal language used, and the fact that few people read or understand their contracts thoroughly, it cannot be said that educational requirements and qualifications should be relaxed.

The Kansas Blue Goose will hold a homecoming party for returning servicemen Feb. 5 in Topeka under the direction of H. O. McIntosh, Hanover state agent. A short business meeting of the pond will be held.

Three America Fore Men Join "Old Guard"

Three veterans of America Fore joined the "Old Guard" during the annual western department field meeting in Chicago last week. They are Charles R. Williams, executive assistant; Herman P. Winter, Ohio special agent, and Leonard C. Edwards, special agent in Indiana. All have 25 years of service.

They were presented with watches and insignia by Vice-president E. A. Henne and received congratulatory messages from President B. M. Culver.

Mr. Williams joined American Eagle Fire in 1921 as special agent in the automobile department. He was promoted to executive assistant in 1942.

Mr. Winter was formerly a local agent for Continental at Danville, Ind. In 1930 he was transferred to Canton as a six-company special agent supervising north-eastern Ohio.

Mr. Edwards joined American Eagle in 1921 as an assistant examiner in the recording department, later being transferred to the automobile department as chief examiner. He went to Indiana as special agent in 1943.

Hocker U.S.A.I.G. Asst. Western Dept. Manager

Marion G. Hocker has been appointed assistant manager of the western department of U.S.A.I.G. in Chicago. He will assist W. R. Hall, western manager.

Mr. Hocker has had eight years' insurance experience in an Illinois local agency and served in the navy as a chief aviation machinist in a carrier aircraft service unit. He is a commercial pilot and holds ground and flight instructor's ratings, and is a certificated engine mechanic. Before coming to Chicago he took a training course in the home office.

The Chicago office is now awaiting delivery of a new plane and both Mr. Hocker and Mr. Hall will fly from Chicago in the western territory. Mr. Hocker will assist in production and underwriting.

Name New Jersey Committees

C. H. Frankenbach, Westfield, president of the New Jersey Association of Insurance Agents, has announced his committee chairmen.

They are: Accident prevention, W. F. Turner, Jersey City; administration of agency qualification law, Edward F. Waldon, Trenton, plus county vice-president; bank and agent auto plan, A. C. Sina, Clifton; casualty and compensation, John E. Conklin, Hackensack; educational, R. E. Stevens, Newark; finance, W. M. Frederick, Passaic; fire prevention, Leonard Fuchs, Irvington; membership, W. R. Massey, Trenton; publication, H. L. Brooks, Bloomfield; public relations, F. J. Cox, Perth Amboy; rural agents, C. C. Willever, Washington; trade association, C. W. Bolinger, Newark.

Okla. State Official Warns of Underinsurance Hazard

OKLAHOMA CITY—Warning was issued to policyholders by C. O. Hunt, secretary of the Oklahoma insurance board, that unless they increase their cover in line with booming real estate values, they stand to suffer coinsurance penalties.

He pointed out for instance that if the value of a \$10,000 building has risen to \$12,000 and the insurance is not increased to 80% of the new value, the owner can collect only part of a partial loss.

All Industry Group to Hold Next Rally in March

After concluding a three day session in New York, the all industry committee decided to hold its next meeting some time in March at a time and place

to be decided by the conference subcommittee.

C. C. Fraizer, general council of the Health & Accident Underwriters Conference, served as chairman at the New York meeting.

A subcommittee of five during that period continued its discussions with the commissioners' representatives regarding the differences between the all industry fire and casualty rate bills and those which the commissioners designed. The subcommittee had held similar sessions with the commissioners' group the previous week. It was instructed to continue the discussions.

The subcommittee on the Sherman act reported that it had created a special committee to study the effect of the Sherman act with reference to matters not directly connected with rate making. That consists of Association of Casualty & Surety Executives, Bureau of Personal Accident & Health Underwriters, Federation of Mutual Fire Insurance Companies, National Association of Insurance Agents, National Association of Mutual Casualty Companies and National Board. The subcommittee considering the treatment of automobile and other overlapping coverages in fire and casualty bills made a progress report.

One suggestion that has been advanced as a compromise of the prior approval issue is that rates be filed subject to approval within a limited period, probably 20 or 30 days, no contracts to be written on the basis of such rates without prior approval within such period. If approved immediately or within five days, say, contracts could be written. If state officials take no action within the specified limited period rates would become effective.

Another suggestion is that prior approval be required only in respect of general rate changes.

Motor Vehicle Agreement Changes Are Proposed

Commissioner Garrison of California has sent to all companies writing automobile insurance in California the draft of the several amendments proposed for the California motor vehicle insurance agreement which they have been requested to approve.

The action started several months ago when the Colonial of Los Angeles filed with the commissioner its intention to withdraw from the agreement if certain provisions were not changed. The principal objection was those provisions requiring the filing of manuals and rates and the obligation not to deviate. These provisions, according to several executives of subscribing companies, were not needed and they have been eliminated.

Another new provision, however, states the agreement will terminate Dec. 31, 1947, unless scrapped earlier by the commissioner or 75% of subscribing members.

It is expected the companies will all approve the changes before Feb. 1, the effective date of Colonial's withdrawal. Basic objective of the agreement, developed when Anthony Caminetti was commissioner, was to eliminate so-called fictitious fleets.

Gogebic-Ironwood Agents Elect

At a joint meeting with the Ironwood association, the Gogebic County (Ark.) Association of Insurance Agents elected L. J. Lieberthal president; Waino Helli vice-president; Margaret H. Holmberg secretary, and R. J. Sage treasurer.

The Ironwood association elected Thomas Lilliquist, president; Mr. Helli, vice-president; Miss Holmberg, secretary, and H. J. Lilliquist, treasurer.

Corroon & Reynolds Promotions

John M. Owen and Peter W. Froelich have been elected secretaries of Corroon & Reynolds and Vincent L. Mulvehill, assistant secretary. Mr. Owen is in charge at Philadelphia and Mr. Froelich at Chicago. Mr. Mulvehill is head of the automobile department.

Mittelbush Is Soenke Successor at Security, Ia.

Richard R. Mittelbush is now the active operating officer of Security Fire

of Davenport, with the title of secretary and general manager. He takes the place left vacant by the death Dec. 27 of E. E. Soenke. During the past few weeks he has been acting secretary.

Mr. Mittelbush has been with Security Fire during his entire business career of 20 years. He first gained underwriting experience and then served in the Illinois field. Later he went to the home office to organize an inland marine department and for the past year has been agency supervisor.

While Illinois state agent, Mr. Mittelbush served as president of the Illinois Field Club and he is a former vice-president of the Illinois State Fire Prevention Association.

A twin brother, Frank Mittelbush, who was recently discharged from the army, has returned to his position of statistician of State Farm Mutual Automobile.

Ralph Duggleby has been promoted to assistant treasurer of Security and Carroll Butler, formerly auditor, is advanced to comptroller.



R. R. Mittelbush

Strikes Make Insurers Wary of Big Truck Fleets

Strikes and threats of strikes by drivers and other employees of long haul trucking concerns have led to the rejection by insurers of coverage applications by several operators of large truck fleets.

While as yet there have been few losses directly traceable to strikes, the insurance companies are wary because of the peculiar vulnerability of motor vehicles and their cargoes to strike violence.

Several companies report considerable increase in business on taxi fleets in large cities. This is particularly true in Chicago where 250 war veterans have been licensed to operate independent cabs, the first new taxis in the city for a number of years.

C. M. Thompson to Royal-Eagle

Charles M. Thompson, recently discharged from the navy, has joined Eagle and Royal Indemnity as underwriter. He started with Employers Liability in 1925 and went with Standard Accident in 1929 where he remained until 1937, at which time he transferred to Massachusetts Bonding. He subsequently was commissioned an officer in the navy.

Vets Central Mutual Officers

Two returned service men, John B. Owen and Lawrence Ely, have been elected assistant secretary and assistant treasurer respectively of Central Mutual Casualty.

Second Injury Plan in D. C.

WASHINGTON—The Washington Board of Trade has approved recommendations of its insurance committee headed by Howard Starling, Association of Casualty & Surety Executives, for amendment of the compensation law here with relation to second injuries. Legislation drafted by Ralph Lee proposes to relieve an insurer of part of the liability for total permanent disability resulting from a second injury.

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Hold your Automobile Business

... AND ATTRACT NEW PREMIUMS



You can do both if you take full advantage of the Bank and Agent Auto Finance Plan. Unless you support this plan it may mean substantial loss of income. Local agents and local banks, countrywide, are now working together to sell prospective car buyers on the many merits of this friendly community method of financing and insuring automobiles.

To assist agents of the Royal-Liverpool Group to publicize and popularize this plan, and thereby to write a maximum volume of Automobile premiums, we have made available to them the sales kit here shown, which makes possible an effective, sustained campaign.



- 1 Display poster for wall or window use
- 2 Easel-back counter display card
- 3 Reduced reproduction of poster for mailing enclosure
- 4 Direct mail sales folder
- 5 Special sales folder for cooperating banks
- 6 Policy tab
- 7 Blotter
- 8 Identification card

A request addressed to our Publicity Department will bring you a complimentary copy of this sales kit — one of our Group's many production aids on various coverages.

Fire and Casualty Companies of the

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AMERICAN & FOREIGN INSURANCE COMPANY • BRITISH & FOREIGN MARINE INSURANCE COMPANY, LTD. • CAPITAL FIRE INSURANCE COMPANY OF CALIFORNIA • THE LIVERPOOL & LONDON & GLOBE INSURANCE CO. LTD. • THAMES & MERSEY MARINE INSURANCE COMPANY, LTD. • QUINCY INSURANCE COMPANY OF AMERICA • THE NEWARK FIRE INSURANCE COMPANY • FEDERAL UNION INSURANCE COMPANY • ROYAL INSURANCE COMPANY, LTD. • THE SEABOARD INSURANCE COMPANY • STAR INSURANCE COMPANY OF AMERICA • FAULT INDEMNITY COMPANY • GLOBE INDEMNITY COMPANY • ROYAL INDEMNITY COMPANY

3 Grand Nest Men at Indiana Rally

INDIANAPOLIS—More than 100 grand-nest men of the Indiana Blue Goose greeted Phil M. Winchester of New York, most loyal grand gander, and R. A. Kenzel, Milwaukee, grand welder, at a meeting here Monday evening. Twelve goslings were given their first swim: Wm. Cooling, Cooling-Grumme-Mumford; C. H. Foster, Fred House, Vern Stevens, Franklin E. Krause, L. L. Heath and V. D. Randle, all of Western Adjustment; Richard L. Miller, Allemania; David L. McNeill and James E. Zavorka, both of Underwriters Adjusting; R. H. Osborn, National Fire, and Robert Raisbeck, Home.

The ceremony was very impressive as three grand nest officers took part, the third being J. Ray Hull of Indianapolis, the grand keeper. Other out-of-state grand nesters were Eugene Gallagher, Planet Fire, Detroit, past most loyal gander of Michigan; and W. W. Waters, Ohio Farmers, Columbus, past most loyal gander of Ohio.

Now Has 288 Members

W. G. Dithmer, W. P. Ray & Co., chairman of the membership committee, reported that the pond now has 288 members.

Don G. Kaga, Secured Fire & Marine, most loyal gander, Indiana pond, presided at the business meeting and dinner. Telegrams were received from E. J. Beauvais, Montreal, grand custodian, and from Frederick D. Payne, Phoenix Assurance, Springfield, Ill., past most loyal gander of Indiana.

Mr. Winchester, in an address, pointed out that Blue Goose activities were not suspended during this war as during the first war and gave as the reason that the members appreciated the service side of the group which was almost solely for entertainment and fellowship.

Membership has increased during the war to more than 8,000, with 44 ponds now active. More than 10% of the members are or have served in the armed forces. He urged that the membership plan now for an active post-war program of charitable and education activities.

Mr. Kenzel, Mr. Gallagher and Mr. Hull all spoke briefly.

Oklahoma Tax Collections Estimated \$2,700,000 in 1946

OKLAHOMA CITY — The state's gross premium insurance tax in 1946 will exceed that of 1945 by \$100,000, according to an estimate of Commissioner Read of Oklahoma. He figures the 1946 tax will net the state \$2,700,000, with money paid under protest probably totaling more than \$1 million by the close of the year. During 1944, \$840,000 paid under protest has been impounded in the state treasury pending outcome of court actions now pending that seek to have the tax ruled unconstitutional. This money is to be returned if the law is ruled invalid.

Out-of-state companies have attacked the law on the ground of discrimination because of exemptions allowed companies for the amount of investments they have in Oklahoma. The exemption has been held unconstitutional by an Oklahoma county court, and the case has been appealed.

Loss \$1 Million to B. & O. Piers on Staten Island

NEW YORK—The loss to insurers from the fire which practically destroyed two Baltimore & Ohio piers on Staten Island will run more than \$500,000.

One pier was wooden and the other a steel structure which housed a considerable amount of freight-handling equipment. Both stock companies and mutuals were involved in the railroad schedule including Transportation Mutual, Mutual Fire, Marine & Inland, and Railroad Insurance Association.

The loss under marine and inland marine contracts covering merchandise on the piers, in the pier sheds, or loaded on the seven box cars that were destroyed by fire will run close to \$500,000 it is estimated bringing the total loss from the blaze close to \$1 million.

The miscellaneous loading and unloading devices in the steel pier were not badly damaged and there will be considerable salvage.

Firemen were hampered in fighting the fire, which started below the decks of the piers, because they couldn't reach it effectively. There were no fire breaks beneath the piers as are required in modern construction, and the fire burned

for a day or two after being brought under control. The steel pier building was equipped with sprinklers, and they wetted down the merchandise, but little or none of the water got below the floor. The pier underpinning was destroyed.

Travelers Reproduces 60,000 Veterans Discharge Papers

More than 11,000 recently discharged veterans have been rendered an unusual service by Travelers.

Since the war ended, the home office has made free of charge, close to 60,000 photostatic reproductions of veterans' discharge papers.

It started when the local service center suggested to a veteran that Travelers might be able to duplicate his papers, according to James F. Pilkington, assistant secretary of the department of office supervision. From then on, veterans passed the word along.

Schoonover Case Action

INDIANAPOLIS—What is known as the Schoonover case in Indiana has recently been venued from Marion county to Morgan county. Suit was brought 10 years ago at Vincennes to test section 309 of the insurance code which forbids licensing as agents in Indiana salaried representatives of insurance companies. Mutual companies seek to have this section of the code declared unconstitutional. It is not anticipated that there will be an early decision.

N. J. Association Reaches 1,000 Mark

With the enrollment of Charles R. Howell of Trenton, the New Jersey Association of Insurance Agents reached its goal of 1,000 members. This climaxes a vigorous membership drive. Mr. Howell is a member of the New Jersey legislature. Acting manager of Massachusetts Mutual Life at Trenton, Mr. Howell also conducts a general insurance business. He is past president of the Trenton Association of Life Underwriters and former president of the New Jersey Association of Life Underwriters.

Stone, O'Connor, Orr Pittsburgh Day Speakers

PITTSBURGH — Announcement is made of three speakers for Pittsburgh Insurance Day March 4.

Edward C. Stone, U. S. manager of the Employers' Group, will give an address on public law 15.

George W. Orr, director of claims of U. S. Aviation Underwriters, will talk on aviation claims at the session conducted under the auspices of the Casualty Insurance Claim Managers Council and Pittsburgh Casualty Claims Association.

E. H. O'Connor, executive director of Insurance Economics Society, will address the accident and health conference.

In addition to these meetings, there will be conferences on fire, inland marine, life, casualty, automobile and surety.

Three Staff Men Return to Wilson S. Levens & Co.

Roy Stroube, who has rejoined Wilson S. Levens & Co., independent adjusting firm of Chicago, with which before joining the marine corps he was a staff adjuster, becomes an associate of Mr. Levens in the handling of fire and allied losses. He was a member of the 2nd marine division and took part in the Saipan and Okinawa invasions.

Ralph E. Tapper, a son of Ralph W. Tapper, former state agent for Rhode Island in Chicago, also has returned to Mr. Levens from service and becomes a staff adjuster handling general adjustments. He has been a staff sergeant stationed at Foster Field, Texas, and has spent four years in the army air force technical training command. Sgt. Tapper was discharged early in January.

Emil J. Wille has been discharged from the navy after over 2½ years' service, in the Mediterranean and Pacific on mine sweepers and becomes staff adjuster, handling automobile adjustments.

Mutual Agents Set Rallies for New Orleans, New York

WASHINGTON — Establishing a precedent, the National Association of Mutual Insurance Agents will hold a semi-annual meeting at New Orleans, May 8-9; Executive Secretary Philip Baldwin states, following a meeting of the executive committee at New York last Sunday.

It was also decided to hold the annual meeting at the Hotel New Yorker, New York, Oct. 14-16.

The committee meeting, called by President W. Emert Swigart, Huntingdon, Pa., discussed membership particularly. The association plans the biggest membership campaign in its history, with particular attention paid to development in the west.

Adjustment Company Expands

Insurance Service & Adjustment Co. of Omaha has been incorporated and has announced plans for expansion in Nebraska and surrounding territory.

The firm was formerly a partnership with Harvie A. Jewell as senior partner with James A. McKamy. Mr. McKamy was killed recently only 10 days after he had returned after three years in the army air forces as a major.

A branch office has been opened at Lincoln with Sumner J. Pierce as manager. Mr. Pierce has had 20 years experience in adjusting, having been with Western Adjustment for 17 years until he went in the army in 1942. After his discharge in 1943 he went with Underwriters Adjusting as branch manager at Canton, Ohio. He resigned that position to join Insurance Service & Adjustment.

Another branch office has been opened at Norfolk, Nebr., with H. B. Hettrick as manager. Mr. Hettrick was formerly with Mr. Jewell and has since been in a local agency in Des Moines.

MARSH & McLENNAN

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Established 1871

Piedmont Celebrates

CHARLOTTE — more excitement in this city as the celebration of the 100th anniversary of the Piedmont region is being prepared.

Among the preparations are a parade from the state capitol to the state fairgrounds.

In the evening there will be a gathering at the state fairgrounds.

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Piedmont's 50th Year to Be Celebrated in Charlotte

CHARLOTTE, N. C.—A dozen or more executives and directors of Aetna Fire group of which the Piedmont Fire of this city is a member, are expected to come here Feb. 5 to hold business meetings celebrating the 50th anniversary of Piedmont. P. W. D. Jones, vice-president of Piedmont and secretary of the other companies of the group, is making preparations for this celebration.

Among officers expected to attend from Hartford are W. Ross McCain, president; Guy E. Beardsley and Jesse M. Waller, vice-presidents; George L. Burnham, treasurer; Frank G. Bush, secretary and also a number of directors. There will be a dinner at the Charlotte Country Club with business leaders as guests and Mr. Jones as toastmaster.

In the afternoon the Aetna officials will meet with agents at an informal gathering at the Hotel Charlotte. Commissioner Hodges is expected as a guest.

Providence Washington Premiums at New Peak

The net premiums of Providence Washington last year were the highest in its history, being slightly in excess of \$10 million, an increase of 11%.

Substantial gains were made in all departments and despite the high fire losses and the unsettled conditions in the automobile business, an underwriting profit was made of \$27,415. This added to the net investment income of \$487,976 resulted in an operating earning of \$515,391 as compared with \$511,359 for the previous year. There was a gain in assets of \$3,094,802, and net surplus \$9,361,508, a gain of \$1,788,543.

Ramey to Be Executive Head of Pioneer Equitable

George L. Ramey, head of Interstate Agency at Indianapolis, general agents for Rhode Island and William Penn, is to become executive vice-president of Pioneer Equitable in charge of all home office and field operations. Mr. Ramey has operated a general agency in Indiana for some years. At one time he was an assistant secretary of National Union.

N.A.I.A. Steering Group Plans New Orleans Meet

The executive committee of the National Association of Insurance Agents did not meet in New Orleans last week, as was stated in the issue of Jan. 24, but will meet there during the latter part of February. Selection of New Orleans for the meeting place is in conformity with the association's new policy of holding executive committee meetings in cities in various areas throughout the country rather than only in New York.

DuPage Assn. Installs Officers

The DuPage County Agents Association held its annual party and installation of officers at the Mohawk Country Club, Bensenville, Ill., this week. Arthur W. Guild, Wheaton, was installed as president; Thomas Meyers, Elmhurst, is vice-president; J. L. D. Langan, Wheaton, secretary, and Bert Weller, Elmhurst, is treasurer.

Following the dinner the 80 agents, field men and wives were entertained by a magician, followed by dancing.

Farm Losses Increase

Farm fire losses have increased in the central west and south owing to the cold weather but they have not gone to as high a ratio as city property. There has been an increase in storm losses starting with Kentucky and Tennessee and reaching down into Arkansas and Alabama. The big Texas tornado hit the farm companies pretty hard although the big losses were in the cities. There was upwards of \$2 million loss in that storm. Many farmers have increased their insurance because of

higher values on building and contents and on produce and livestock. Anything that the farmers have to sell now will bring good money and inasmuch as the farmers have been making money they have been impressed with the argument that they should be amply insured.

Leonard in N. C. for Employers

Charles F. Leonard has been appointed special agent in North Carolina for Employers Fire, with headquarters in Greensboro.

Mr. Leonard attended Guilford college and started in insurance with Dixie

Fire in Greensboro. He later went to the home office of American at Newark. For the past three years he was in Virginia as special agent for American and prior to that traveled Kentucky for the same company.

Strouse Returns from Army

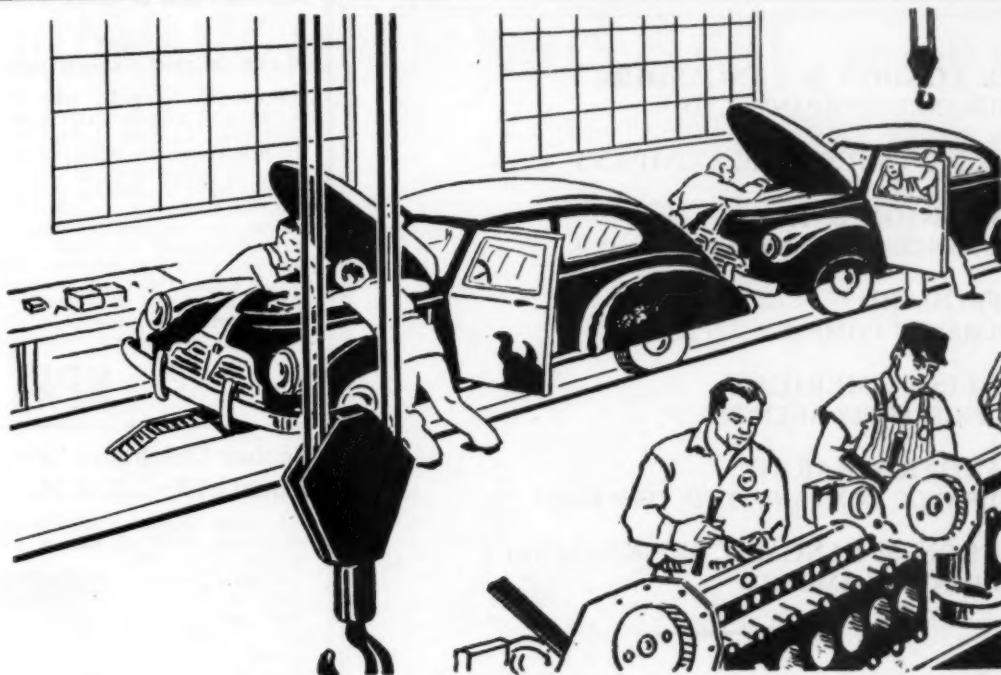
Fred W. Strouse of Fred W. Strouse & Co., Chicago general agents, is back at his desk after three years in the army.

A technical sergeant in the transportation corps, Mr. Strouse put in two

years in the Pacific theater. His unit unloaded ships, often under enemy fire, in Australia, New Guinea, Netherlands East Indies and the Philippines. The business of the firm was carried on in his absence by Mrs. Strouse and members of the staff.

Bushnell Named by Security

A. N. Bushnell, Jr., who served throughout war as a sergeant in the marine corps and recently was discharged from service, has been named special agent by Security for marine lines in southern California.



INSURANCE Premiums

ROLL OFF THESE SAME ASSEMBLY LINES

It will not be long before assembly lines of the automotive industry will be humming with feverish activity and insurance premiums will keep pace with the mounting number of new cars reaching the market. The answer to the question—who will write these millions of dollars in premiums—depends upon you, the insurance agent.

One of the best ways of getting your share of this business is to convince your policyholders of the merits of the Bank and Agent Auto Plan for buying a new car. Its savings, its simplicity, its value to your community make it easy to sell.

BUILD YOUR BUSINESS WITH THE BANK AND AGENT AUTO PLAN



CHICAGO

BUTLER NOW ON JOB

Ben Butler, who was appointed general adjuster at the head office of Western Adjustment in Chicago to fill the vacancy created by the death of Harold Greenberg, arrived to assume his new duties Monday and was greeted with flowers and good wishes. He has moved to Chicago from Kansas City, where he was manager and regional supervisor of Western Adjustment. Due to some fleet

work on the part of Mrs. Butler, they are established in an apartment in Chicago. She had noticed an advertisement in a Kansas City paper of a Chicagoan who wanted to trade an apartment in that city for one in Kansas City and she closed the deal in short order, sight unseen.

J. V. BERNATZ IS FETED

C. W. Ohlsen, western manager of Sun, gave a dinner at the Union League Club, Tuesday evening for Joseph V. Bernatz, senior examiner, on the occasion of his 25th anniversary with Sun.

The honored guest was presented with a victory bond. About 20 attended. Mr. Bernatz has been in the business about 40 years, previously having been with Pennsylvania Fire, American Eagle and North America.

LANSMAN RETURNS TO KEMPER CO.

Harry A. Lansman has returned to the home office staff in educational and production work for the Kemper companies after more than three years in the navy, 27 months of which were in the Pacific. Mr. Lansman, a lieutenant, served as commanding officer of a sub-chaser and later as navigation officer on a fleet oiler.

PLANS OF JAMES E. KENNEDY

James E. Kennedy, who has been operating as a broker with headquarters at 11 South La Salle street, Chicago, for the past two years, has now applied for class 1 membership in the Chicago Board with Assurance Company of America, Northern of New York's new affiliate, as designating company. Mr. Kennedy at one time was chief bailiff for Walter La Buy when the latter was circuit judge. He is now a federal judge. Mr. Kennedy has been particularly interested in bond business.

NEW YORK

CAUSE OF FIRE INCREASE

More than 20% of New York City's fire-fighting equipment is classified as obsolete, according to Fire Commissioner Quayle, who welcomed directors of the International Association of Fire Chiefs meeting in New York.

The alarming increase in fire losses was the chief topic of discussion at the fire chief's meeting. Chiefs said the cause was shortage of departmental manpower, obsolete fire equipment, increase in arson and increased juvenile delinquency. Many plants are vacant due to reconversion, government acquired equipment has been withdrawn, guards have been removed and sprinkler systems shut off, which is resulting in more large fires.

The International Association of Fire Chiefs will hold its annual conference in Cleveland July 23-27.

DURYEE SPEAKS ON U. & O.

George Duryee, assistant manager of the metropolitan department of Home spoke on U. & O. at the meeting of the Richmond County Association of Local Agents on Staten Island.

**THE LONDON & LANCASHIRE
INSURANCE COMPANY, LTD.**

ORIENT INSURANCE COMPANY

**LAW UNION & ROCK
INSURANCE COMPANY, LTD.**

**SAFEGUARD
INSURANCE COMPANY**

**ENGLISH AMERICAN
UNDERWRITERS AGENCY**

**STANDARD MARINE
INSURANCE COMPANY, LTD. (Fire Dept.)**

**LONDON & LANCASHIRE INDEMNITY
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Hartford, Connecticut

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223 W. Jackson Blvd.
Chicago, Illinois

For Over Fifty Years Good Friends of Local Agents

NEWS OF FIELD MEN

Bocher Oklahoma Special Agent of K. C. F. & M.

Leonard S. Bocher has been appointed special agent of Kansas City Fire & Marine in Oklahoma. He has been in insurance work in Oklahoma since 1921. He served as special agent of Royal and Fidelity-Phenix and was connected with the Oklahoma Inspection Bureau. Prior to his association with Kansas City Fire & Marine he was employed as engineer for R. B. Jones & Sons and during the last three years of the war served as administrative officer in the supervision of the plant protection program for the army air forces midwestern procurement district with headquarters in Wichita, Kan.



L. S. Bocher

Hildebrandt and Hause Are Named by Planet in Buffalo

Gilbert S. Hildebrandt, manager of the Buffalo branch of Standard Accident, has been named manager of the Buffalo branch of the newly-formed Planet, fire affiliate of Standard Accident. Frank Hause, superintendent of the local bonding department of Standard, has been named assistant manager of Planet in Buffalo. Mr. Hildebrandt and Mr. Hause also will retain their positions with Standard Accident.

Ark. Pond Salutes Veterans, at "Reconversion Party"

LITTLE ROCK—The Arkansas Blue Goose last week honored 14 returning servicemen with a "reconversion party" and also presented a lifetime membership to Louis H. Platt, Little Rock independent adjuster, who has been a member for 40 years.

Returning ganders honored were: Frank Newell, Sam P. Raines, Vertner Read, William R. Smith, Fred D. Watkins, Jr., William E. Gott, F. M. Gott, Jack Miller, Richard Elliott, Aubrey Jackson, Frank Wait, J. G. Leigh, Jack Parsons, and James I. Teague.

The membership certificate was pre-

sented to Mr. Platt by Most Loyal Gander Jack G. McKenzie, Arkansas insurance commissioner. Mr. Platt said he became a member at Charlotte, N. C., in 1906. He came to Arkansas in 1914 and when the pond was reorganized in 1918, he was among its first members.

The pond also presented past most loyal gander pins to Walter Plangman, immediate past M.L.G.; Frank Wait, Sam P. Raines, and Marvin Craven.

A buffet supper was served.

Thornburg, Tarter Back to Home Group from War

Carroll K. Thornburg, who has been in the navy since 1942, spending part of the time in the South and West Pacific areas, was recently released. He has been reinstated as a special agent of the farm department of Home in northern Indiana and Michigan. When he finishes Home's veteran's refresher school he will be located at Elkhart, Indiana.

Curtis B. Tarter has been released from active duty as a lieutenant colonel in the AAF, having been in service since March, 1941. He was in Africa, India and China and was awarded the Bronze Star. After finishing the refresher school, he will be assigned to duty by Home. Before the war he was in the Kentucky field for the farm department of Franklin Fire.

Newell P. Ford was recently employed by Home as a farm special agent in Arkansas with headquarters at Little Rock. Before joining the company, Mr. Ford practiced law and held an interest in the newspaper business.

Bulau Heads Ind. Steering Group

At a meeting of the executive committee of the Indiana Association of Fire Underwriters Monday, A. E. Bulau, Home, was elected chairman, succeeding A. H. Wishard, Northern of England. Mr. Wishard resigned on account of having been appointed assistant secretary of his company, which will necessitate his moving to New York.

N. J. Field Club Elects

At the annual meeting of the New Jersey Field Club in Newark, these officers were elected: President, Harry W. Kohler, America Fore; vice-president, Harold W. Wittich, Providence Washington; secretary, C. P. Carlson, Automobile; treasurer, R. P. Crawford, Glens Falls; executive committee, Ferd

ONE OF THE
TRAVELERS
COMPANIES



**THE CHARTER OAK
FIRE INSURANCE COMPANY**

HARTFORD · CONNECTICUT

G. Adams, Travelers Fire; Fred McGilvray, Hartford Fire; Clem Fortman, Fireman's Fund, and Palmer A. Weis, American.

Alamo Pond Initiates Four

At the mid-winter swim of the Alamo Blue Goose, San Antonio, four candidates were initiated. The charge was given by George J. Henry, deputy most loyal grand gander and post most loyal gander of the pond.

Western Field Men Meet

Western field men of Phoenix of Hartford will attend a business production meeting on Feb. 4-6 at the Edgewater Beach hotel, Chicago. Roy E. Eblen, vice-president; Urban Lelli, secretary, and Glen L. Pickens, assistant secretary, will be in charge of the meeting.

Goodall Back in Ill. Field

A. R. Goodall has returned to the Illinois field for Phoenix of Hartford after 23 months in the army, 19 of them overseas. As an artilleryman, Mr. Goodall participated in the invasions of Leyte, Iwo Jima and Okinawa.

Dakota Victory Splash

The Dakota Blue Goose has planned a victory splash Feb. 27-28 at the Alonzo-Ward hotel in Aberdeen. North Dakota ganders are entertaining their ladies at a winter party Feb. 11 at Fargo.

Hoppas Back in Ind. Field

Norman E. Hoppas has resumed field work for the Loyalty group in Indiana after three years in war work, mostly overseas. He represented the Allison Co. of Indianapolis as a technical engineer, servicing Allison motors on a number of fronts, including Africa, Italy, France, Belgium, Switzerland and Germany.

Kronimus Is Richmond Aid

Ernest J. Kronimus has been appointed assistant manager for Travelers Fire at Richmond. Until 1940, when he joined Travelers he was with the engineering department of Southeastern Underwriters Association. He is a graduate of Mississippi State College.

Finn Rejoins Crum & Forster

Crum & Forster have appointed Richard J. Finn special agent at Seattle, covering Washington and northern Idaho. He will serve under State Agent W. C. Carlyon. Mr. Finn was recently released from the army air corps. He spent some time in the San Francisco office.

Western Mass. Club Elects

SPRINGFIELD, MASS.—The Western Massachusetts Field Club, organized last year, has elected these officers: President, John L. Powers, Home; vice-president, Atwood P. Lind-

say, Commercial Union; secretary-treasurer, Russell Harrington, American.

Anthracite Field Meeting

The annual meeting of the Anthracite Field Club will be held at the Hotel Casey, Scranton, Pa., Jan. 29. One of the questions will be regarding a public relations program.

Minn. Pond Elects Feb. 11

The annual splash of the Minnesota Blue Goose will be held in Minneapolis

Feb. 11. There will be a cocktail hour, followed by a dinner and then the business session and initiation. Nick Dekker, state agent of America Fore, is slated to advance to most loyal gander.

Shift E. R. Dobbins to S. C.

E. R. Dobbins, who has just been appointed special agent for South Carolina for America Fore with headquarters at Columbia, was recently released from the armed forces and resumed his work

in Virginia. Before entering the service he was supervising Virginia for American Eagle and Niagara.

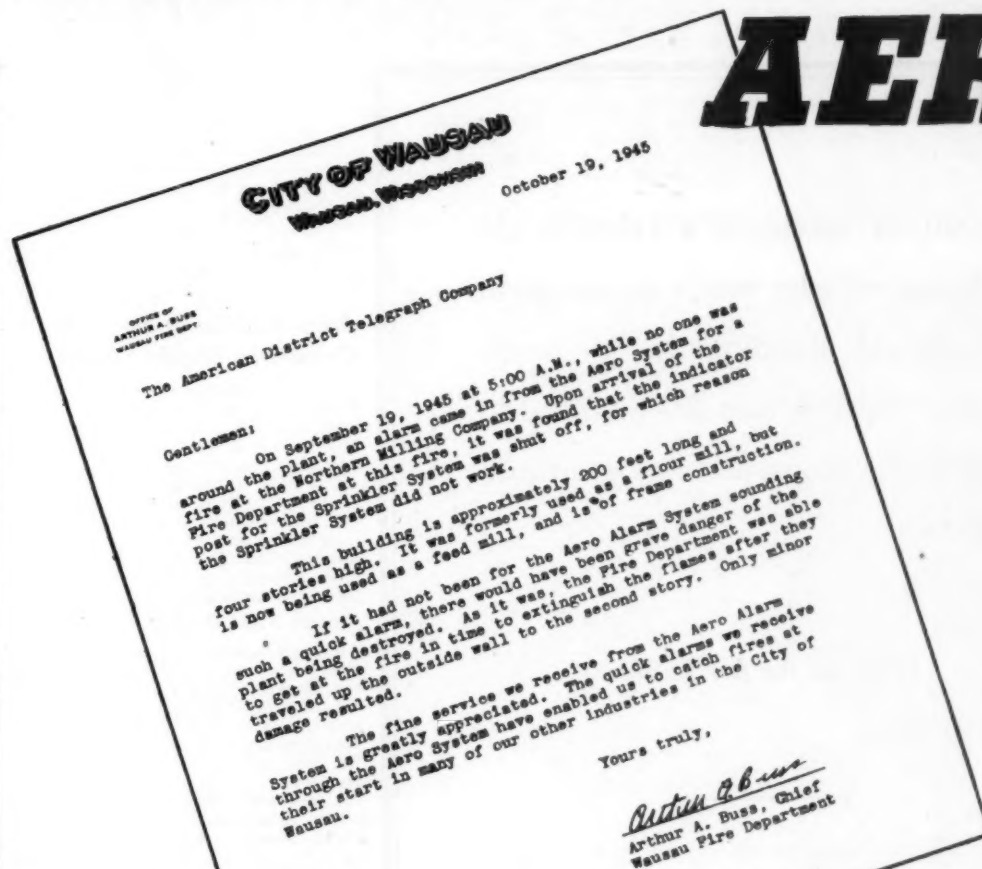
Miller Allemannia Special Agent

Richard L. Miller has been appointed special agent of Allemannia Fire in Indiana and Illinois, with headquarters at 129 East Market street, Indianapolis.

Mr. Miller recently returned from service as a waist gunner on a bomber, having been on 20 missions over Germany.

AUTOMATIC ALARM SAVES PLANT—FIRE CHIEF PRAISES

AERO



Though the Aero Automatic Fire Alarm usually is installed in unsprinklered buildings, the above letter demonstrates its exceptional value in reinforcing sprinkler protection by detecting the fire in those vital first few minutes and summoning the fire department direct to the premises—automatically, instantly and accurately.

May we tell you how this service can be applied to effect substantial economies while providing greatly increased protection?



AERO AUTOMATIC FIRE DETECTING AND REPORTING SERVICE

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CENTRAL STATIONS IN ALL PRINCIPAL CITIES OF THE UNITED STATES

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Electric Protection Services
AGAINST FIRE · BURGLARY · HOLDUP
A NATION-WIDE ORGANIZATION

LOCAL AGENCY WANTED

A returned veteran with cash wants to buy a small local agency within a radius of 500 miles of Chicago. He has had insurance experience before entering the Service. Do you know of an agency for this man?

FERGASON PERSONNEL

Insurance Personnel Exclusively
166 W. Jackson Blvd., Chicago 4, Illinois

NEWS OF THE COMPANIES

Dubuque F. & M. Annual Statement Is Released

Dubuque F. & M. has published its new statement showing assets \$6,736,149, premium reserve \$3,484,908, capital \$1 million and net surplus \$1,412,890. Net premiums written were \$3,362,979, an increase of \$653,559.

The affiliated National Reserve had assets \$6,736,149, premium reserve \$3,484,908, capital \$1 million and net surplus \$1,412,890.

Premiums of Automobile Up 15%

Premiums of Automobile of Hartford at \$21,347,742 during 1945 were up 15% as compared with the previous year. Assets increased from \$39,603,461 to

\$44,479,833. There was an underwriting loss of \$687,969. Results were profitable in ocean marine but there was an unfavorable loss record in other lines, particularly in automobile collision.

Premiums earned increased from \$14,146,481 to \$15,907,129. Contingency reserve was increased from \$2½ million to \$4,700,000 and surplus at \$10,951,525 is about \$400,000 lower.

The affiliated Standard Fire had premiums of \$3,245,056, assets \$8,660,742, underwriting loss \$13,898, premiums earned \$3,683,808, surplus \$2,324,692 and contingency reserve \$900,000.

National Union Dividend

National Union has declared a dividend of \$1.50 a share and an extra of

Our survey service is a valuable aid to the agent who wants to maintain professional standing in his community. Our fieldmen are qualified to assist in the preparation of insurance programs.

Write us for particulars

New York Underwriters Insurance Company

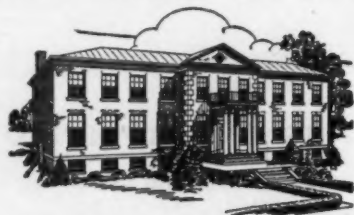
Ninety John Street

New York

SUBURBAN CASUALTY COMPANY PIONEER FIRE INSURANCE CO.

EDWIN F. DEICKE
President

"Suburban"
Founded
in
1925



(Our Modern Home Office Building)

2 GOOD STOCK COMPANIES

Worthy of the Highest Confidence

Home Office—Wheaton, Ill.

Chicago Office—100 W. Monroe Street

"Pioneer"
Founded
in
1918



"You'll get so you can tell in a flash whether to stick in the artificial foot or the real one."

\$1 a share, both payable Feb. 25 to stock of record Feb. 5.

Asks Middle of Road Rate Course in Rhode Island

Such legislation as is enacted in Rhode Island to square the state laws with the S.E.U.A. decision and public law 15 should not stifle reasonable free and open competition between insurers individually or between classes of companies, according to Rep. W. E. Powers, who is chairman of the Rhode Island interim committee studying insurance law revision. He issued a formal statement emphasizing that Congress desires to encourage competition.

Against Rigid Control

He advocated that a middle of the road course be taken between the present situation of no rate regulation at all and regulation that would be so rigid and inflexible as to crush initiative and resourcefulness or to place portions of the industry in an unfair competitive position.

Cooperative rate making, he said, would be illegal after Jan. 1, 1948 unless legislation is enacted sanctioning such combinations and making them subject to investigation by the insurance department.

Supreme Court to Hear Arguments in S. C. Tax Case

WASHINGTON—The supreme court Monday announced its noting of "probable jurisdiction" in No. 707, Prudential vs. South Carolina Commissioner Benjamin, which involves the question of the constitutionality of the South Carolina premium tax on foreign companies. Justice Rutledge took no part in arriving at this decision, which indicates that arguments will be heard in the case in course of time.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago.

	Jan. 28, 1946	Par.	Div.	Bid	Asked
Aetna Cas.	10	2.50		96	100
Aetna Fire	10	1.80*		58	60
Aetna Life	10	1.50*		50	52
Amer. Alliance ..	10	1.20*		24	25½
Amer. Cas.	10	.60	13½	14½	
Amer. Equitable ..	5	1.00	25½	27	
Amer. Home	10	...	12½	13½	
Amer. (N. J.) ..	2.50	.60*	19½	21	
Amer. Surety	25	2.50	76½	78	
Balt. Amer.	2.50	.30*	7½	7½	
Camden Fire	100	1.00	79	82	
Contl. Cas.	5	2.00*	62	64	
Cont. N. Y.	2.50	2.00*	62½	63½	
Fidelity-Phen. ...	2.50	2.20*	67½	69½	
Fire Assn.	10	2.50*	66½	68½	
Firemen's (N.J.) ..	5	.40	16½	17½	
Fireman's Fund ..	10	3.00	110	112	
Franklin Fire	5	1.00	25½	27	
Glens Falls	5	1.85*	54	56	
Globe & Repub. ..	5	.60	12	13	
Gt. Amer. Fire ..	5	1.20*	34½	35½	
Hanover Fire	10	1.20	31	33	
Hartford Fire	10	2.50*	124	126	
Home (N. Y.)	5	1.20	30½	31½	
Ins. Co. of N. A. ..	10	3.00*	101	102	
Maryland Cas. ...	1	...	19	20	
Mass. Bonding ...	12.50	3.50	95	100	
Natl. Cas.	10	1.25*	29	31	
Natl. Fire	10	2.00	64½	66	
Natl. Liberty	2	.30*	7½	7½	
Natl. Un. Fire ...	20	5.00*	192	193	
New Amst. Cas. ...	2	1.00	37	38	
New Hamp.	10	1.80*	52	54	
North River	2.50	1.00	25½	26½	
Ohio Cas.	5	.80	33½	35½	
Phoenix, Conn. ...	10	3.00*	98	100	
Preferred Accl. ...	5	1.00*	15½	16½	
Prov. Wash.	10	1.40*	42	43½	
St. Paul F. & M. ...	12.50	2.00*	79	81	
Security, Conn. ...	10	1.40	36	38	
Sprgfd. F. & M. ...	25	4.75*	131	134	
Standard Accl. ...	10	1.45	42½	45	
Travelers	100	16.00	635	645	
U. S. F. & G.	10	1.50*	49	51	
U. S. Fire.	4	2.00	59	61	

*Includes extras.

The Sioux Falls Blue Goose Luncheon Club at a meeting with 25 in attendance saw a film presented by the Northwestern Bell Telephone Co.

Mutual Fire Companies' 1945 Figures

	Adm. Assets	Unearned Prema.	Net Surplus	Net Prema.	Net Losses Paid
Addison Farmers' Mutual, Ill.	458,929	208,079	218,563	113,454	50,289
Berkshire Mutual Fire	1,586,619	947,287	445,100	995,429	393,311
Millers Mutual Fire, Ill.	4,790,700	1,959,326	2,427,988	2,532,369	901,267
Mutual Implement & Hardware	9,678,822	6,042,964	2,556,086	6,567,343	2,357,016
Providence Mutual Fire	1,874,478	336,896	1,511,664	171,773	88,116
Republic Mutual Fire	1,000,697	312,777	654,672	254,920	131,211
St. Paul Mutual	208,358	83,959	101,195	251,728	61,462
State Farmers Mutual, Minn.	216,888	30,439	168,806	345,064	121,661
Square Deal	1,059,184	*163,449	850,000	983,277	335,433
RECIPROCAL					
Retail Lumbermen's Inter-Insurance	583,192	160,257	385,026	482,640	153,921
Underwriters Exchange	1,214,794	219,507	987,708	174,758	59,186
LLOYDS					
Southern Lloyds	1,090,062	398,452	600,498	860,387	222,725
*Special surplus funds.					

Meat Seizure Causes No Insurance Change

As a contrast to the government seizure of Montgomery Ward & Co. in Chicago some time ago, there is no change in the insurance setup under the government operation of the meat industry.

Although the government injected a clause into its agreement with the packers which would have caused considerable confusion, this was abolished before the Department of Agriculture stepped in. In the meat industry, the government operation consists merely of its acting as a superintendent in keeping workers on the job.

Ask Continuances in Ohio

COLUMBUS—Motions asking for a continuance have been filed in the courts at Columbus by Prudential, Phoenix Mutual, Pacific Mutual, Massachusetts Mutual and Connecticut General Life, which had sued the state to enjoin payment of their discriminatory premium tax on the ground that the law is unconstitutional. The plaintiffs ask that the hearings be delayed until the U. S. Supreme Court passes on the tax question in the Prudential South Carolina case. The premium tax paid was allocated to a special fund and not placed in the general fund of the state.

Mutual Trust Life of Chicago has brought a suit against Don H. Ebright as state treasurer and also as an individual, and against the state of Ohio to collect \$11,507 in interest on its 1944 premium tax that was paid under protest. This is the first suit in Ohio on the part of a foreign insurer to recover premium taxes that have not been placed in a segregated fund. Mutual Trust argues that the premium tax is intended only as a means of raising revenue to defray the expenses of the insurance department and that these expenses in 1944 amounted to only \$136,204 whereas the premium tax collections in that year totaled some \$8 million. The suit was brought in common pleas court of Franklin county.

Some companies paid under protest and got an injunction restraining the turning over of the tax to the general fund; others declined to pay and got an injunction restraining the commissioner from suspending their license, and now there is the third type of action where under the tax was paid under protest and no injunction sought but an action to recover is instituted before the statute of limitations runs out.

Minn. Farm Mutual Assn. Elects

ST. PAUL—E. M. Sathre of Bemidji was elected president of the State Association of Farm Mutuals at the annual meeting here. Others elected were: Anchor Nelsen, Hutchinson, vice-president; A. E. Anderson, Cottonwood, secretary, and Frank P. Powers, Mora, treasurer.

The association made plans for putting through an amendment to the 2% premium tax on fire policies which they have had to pay for one year under a new law. The companies contend that they have no objection to paying the tax and in fact have been paying more in fees to the fire departments than they would have to pay under the premium tax plan, but that it throws a heavy clerical burden on their secretaries.

Md. Cas. Writings Break Record

Net premium writings of Maryland Casualty were the highest in history last year, totaling \$33,433,295, an increase of 7.1%. Assets increased to \$80,351,504. Operating profit was \$3,963,243, of which \$2,187,494 was profit from underwriting. Automobile premiums increased 14.8% with loss experience unusually high. Surplus increased \$2,850,000 to \$27,166,063.

Parker on U. S. Aerial Committee

J. Brook Parker, of Parker & Co., Philadelphia brokerage firm specializing in aviation insurance, has been nominated by the State Department and approved by President Truman as a member of an advisory committee to the United States section of the international technical committee of aerial legal experts, soon to meet.

Convention Dates

Feb. 5-6, Health & Accident Conference, mid-year, Stevens Hotel, Chicago.

Feb. 12-13, Michigan agents, midyear, Grand Rapids, Pantlind Hotel.

March 4, Pittsburgh Insurance Day, William Penn Hotel, Pittsburgh.

March 6-7—Fire Underwriters Association of Pacific, Fairmont Hotel, San Francisco.

April 1-2, Missouri agents, midyear, Hotel Statler, St. Louis.

April 10-11, Texas agents, annual, Driscoll Hotel, Austin.

April 17-18, Minnesota agents, midyear, Nicolet Hotel, Minneapolis.

April 19, Alabama agents, midyear, Montgomery.

April 24-26, Louisiana agents, annual, Monroe.

April 30-May 2, American Association of Insurance General Agents, Biltmore Hotel, Atlanta.

May 2, U. S. Chamber of Commerce, Claridge Hotel, Atlantic City.

May 3-5, North Carolina agents, Pinehurst.

May 5-11, Ins. Federation of Pennsylvania, Bellevue-Stratford, Philadelphia.

May 12-15, National Assn. of Insurance Agents, mid-year, Cincinnati.

May 15-17, Insurance Accounting & Statistical Association, Baker Hotel, Dallas.

May 20-22, Health & Accident Underwriters, annual, Netherland Plaza, Cincinnati.

June 3-7, National Fire Protection Association, Statler Hotel, Boston.

June 9-13, Insurance commissioners, Portland, Ore.

June 12-15, National Association of Insurance Women, Atlanta Biltmore Hotel, Atlanta.

June 17-19, National Association of Accident & Health Underwriters, Cosmopolitan Hotel, Denver.

Aug. 20-22, Blue Goose, grand nest, New York.

Sept. 9-10, International Claim Assn., Chateau Frontenac, Quebec.

Sept. 22-26, National Assn. of Insurance Agents, Brown Palace Hotel, Denver.

L. C. Layman Named Aetna Fire General Agent

Lester C. Layman has been promoted to general agent of Aetna Fire. He was transferred to Hartford from Los Angeles in 1939. He joined the company in 1937 as office manager of the automobile claim department in Los Angeles. At one time he was examiner in the liquidation division of the California department. At the home office he served in the automobile department. He is a past president of the Automobile Underwriters Club of Hartford.

Pay Off Premises Claim in Airliner Crash

BOSTON—The recent airliner crash in Connecticut has developed at least one claim under the 10% off-premises coverage of the Massachusetts fire policy. Manager John Adams of Central Manufacturers Mutual announces the estate of one of the victims in the burned plane will collect about \$200 from his company for personal effects, including clothes, suitcase and watch.

Seek to Straighten Out P.P.F. Snarl in Bay State

After making filings of the personal property floater in Massachusetts effective Jan. 1, the insurers were met with the demand that all endorsements for the P.P.F. be imprinted with a facsimile of the signature of an officer of the company. None of the companies, it is believed, have on hand supplies of that kind and they sought to induce the department to remove that requirement. However, Commissioner Harrington contends that it is required by state law. An effort may be made to get an amendment to the law. In the meantime, a number of companies are issuing binders on Massachusetts P.P.F. risks until the matter is straightened out.

Farewell for George Freese

George E. Freese was given a farewell by the Sunflower Blue Goose puddle in Wichita upon leaving the Kansas field as southern Kansas state agent to take up his duties at the home office of St. Paul F. & M. He was presented a pipe. A pipe also is being mailed Nick Kleber, who has been assigned to the Illinois field by Royal-Liverpool since his return from the army. Both had been active members of Blue Goose and other field organizations while in Kansas.



Photo by Philip Goodreau, N. Y.

DOGS, among the earliest animals used for transport, are trained to draw sledges at Wonalancet, New Hampshire. Such teams are still in great demand for hauling supplies in northern countries, and the snow covered roads of this section afford excellent training conditions. Trained dogs are invaluable, because of their light weight on snow crusted ground, their endurance, and their adaptability for team work.

Team work among the agents and personnel of the New Hampshire Fire Insurance Company accounts for much of the Company's success in "delivering the goods."



New Hampshire
FIRE INSURANCE COMPANY
Manchester, N.H. Incorporated 1869
CAPITAL \$3,000,000

Granite State
FIRE INSURANCE COMPANY
Portsmouth, N.H. Incorporated 1885
CAPITAL \$1,000,000



1794

152ND ANNIVERSARY

1946

INSURANCE COMPANY
STATE OF PENNSYLVANIA

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Net Loans Paid
50,289
393,313
901,267
2,357,010
88,174
131,211
61,402
121,402
338,432
153,921
59,186
225,725

Insurance Women to Meet in Atlanta June 12-15

ST. PAUL—Mrs. Fern Anderson, president of the National Association of Insurance Women, announced this week that the annual convention will be held June 12-15 at Atlanta. The executive board will convene there June 9.

Headquarters will be at the Atlanta Biltmore hotel. Virginia McLain of the Brown Insurance agency is general convention chairman. This will be the first national convention since 1943.

America Fore Field Meet

The annual field men meeting of the western department of America Fore was held in Chicago last week under the direction of E. A. Henne, vice-president. Assistant Secretaries DeMott Belcher and A. H. Derbyshire attended from the home office and spoke at some of the conferences.

About 200 field men from the 18 western department states and members of the Chicago office attended a dinner Friday night. J. H. Macfarlane and H. W. La Rue, secretaries, assisted Mr. Henne.

Plan Kan. Educational Meetings

At the Kansas Fire Underwriters Association meeting in Topeka Feb. 5, plans will be announced for a series of educational meetings over the state in cooperation with the Kansas Association of Insurance Agents to discuss the new fire policy. The meetings will start shortly after Feb. 15, when the new policy becomes mandatory. W. F. Ehret, America Fore state agent, Wichita, heads the educational committee. It will select many key cities over the state so that it will be convenient for the agents to attend.

Planet Issues Fire Rating Book

A booklet entitled "Fire Insurance Rating Problems" has been issued by Planet, based on a talk given by Eugene F. Gallagher, manager service department for the Fire & Casualty conference at Ohio State University some months ago.

There has been a great deal of interest in his discussion and the company felt that reprinting the talk in booklet form and making it available to agents and others interested would render a service to the business.

Mr. Gallagher, who was with the Ohio Inspection Bureau for many years, was made manager of the service department of Planet last July.

K. C. F. & M. Conducts School

An insurance school is being sponsored by Kansas City Fire & Marine at the home office for agents and employees in and around Kansas City. A 10-week course on fire insurance is being conducted by Howard Campbell, manager special services department. The classes meet once a week in two-hour sessions. The course of study is along the line of the program of the National Association of Insurance Agents. Subsequent courses in casualty, automobile, marine, bonds and other branches will be led by carefully chosen instructors.

Aetna Fire Wins Ohio Round

COLUMBUS—The three-judge federal court which heard preliminary statements in the case last month have approved a formal order enjoining Su-

perintendent Dressel from revoking the licenses of the Aetna Fire companies for non-payment of premium taxes for 1945. It will remain in force until there is an additional hearing and final ruling. When the attorney general files an answer it will be determined whether a master need be appointed to take evidence before there is an additional hearing before court on the merits.

Oregon Surplus Line Election

PORTLAND, ORE.—The Surplus Line Association of Oregon elected George F. Newlands of the Newlands-Summerill general agency chairman of the executive committee at its annual meeting recently. Harold B. Larson of Seeley & Co. was named vice-chairman, and E. H. Singmaster of Swett & Crawford, secretary. Members of the executive committee reelected included M. B. Waterbury of Rathbone, King & Seeley and James S. Laird of Lamping & Co. (outgoing chairman). G. F. Jacobson of Hansen & Rowland was added to the committee. Deputy Commissioner William F. Leary who has served as examiner for the association was reappointed.

Moore, Hildebrand at Pontiac

PONTIAC, MICH.—Oakland county agents met at a dinner session with members of the Oakland County Bankers Association for discussion of the bank-agent auto plan. Edward R. Moore, Port Huron, president Michigan Association of Insurance Agents, and Waldo O. Hildebrand, secretary-manager, spoke. The film "Bank and Agent Automobile Plan in Action" was presented. Spokesmen for the bankers expressed enthusiasm for the program.

Members of the two Oakland associations and a few non-members also met with Mr. Moore and Mr. Hildebrand to discuss the state association-fostered plan for encouraging apprenticeship training of returning veterans.

N. E. Advisory Board Meets

BOSTON—The New England Advisory Board gathered here Jan. 29 for a discussion of the question whether state directors of the National Association of Insurance Agents should have more power. Other questions up included the personal property floater. J. W. Downs, counsel Insurance Federation of Massachusetts, spoke on public law 15.

Buckeye Union School in April

Buckeye Union will sponsor its third school for returned service men and new agents in April. The school consists of a four day instruction course covering the major fire and casualty lines.

Zepagno Entering Agency

LOS ANGELES—Arnold Zepagno, special agent for Hartford Fire Insurance Co., has resigned and will associate with the Mock-Harrison Agency, Santa Ana, Cal.

James I. Loeb, head of Associated Agencies in Chicago, suffered a fractured right arm in a fall on the ice in front of his residence in the Moraine hotel, Highland Park. Mr. Loeb, who is 72, is expected to return to work with his arm in a cast in several days.

Bulkheads Required in Combustible Attics

John H. Craig, Illinois fire marshal, calls attention to a mistake in reporting the talk he made at Memphis on bowling alley fires.

The statement is incorrect that bulkheads are considered useless if the entire attic space, including the suspended ceiling is of combustible construction.

Reverse Is True

The reverse is true, Mr. Craig states. "Our code provides that bulkheads be installed unless the entire attic space, including suspended ceilings, is incombustible. In other words, the purpose of the bulkheads is to prevent sweeping fires which otherwise would occur in a combustible attic if fire stops were not provided to hold it in check. Therefore the bulkheads apply where the construction is combustible, but are not required if the construction is entirely incombustible."

Hearing on Allen Nomination

WASHINGTON—A hearing has been requested at the Senate on the recent nomination of George E. Allen, vice-president of Home, to be a director of RFC. When the nomination was submitted by President Truman to the Senate two weeks ago it was understood, that if confirmed by the Senate, Mr. Allen is slated to become RFC chairman. It has also been reported that he is slated to head the federal loan agency, of which RFC is the major unit.

Sirois Mutual Legislative Man

Col. Edward D. Sirois has joined Mutual Fire Insurance Association of New England, Boston, as executive vice-president to assist with legislative matters.

Mr. Sirois was recently released after five years in the army, the last two of which he served in China, Burma and India.

Prior to the war he was secretary to the then Gov. Saltonstall. Prior to that he served for six years in the Massachusetts house and was chairman of the Republican state committee.

Quits Protecting Outside Areas

EAST ST. LOUIS, ILL.—Contracts for the city of East St. Louis to furnish fire protection to communities, areas and industries outside of the city limits will not be renewed when they expire. Failure of payments under the contracts to cover the cost of such service is the reason given for the decision.

Fire Commissioner Lauman said the city department answered 260 out-of-town calls from January, 1942, to August, 1945, for which it received only \$1,600.

Tidwell Speaks at Long Beach

Frank E. Tidwell, independent adjuster, spoke before the Long Beach Insurance Association on "Adjusting Problems."

NEWS BRIEFS

Pfc. Bill D. Read, son of Jess G. Read, Oklahoma commissioner, broke the record in his rush to get home after being discharged from the anti-aircraft artillery, after three years' service. When he reached Kansas City he decided to take a taxicab to drive to Oklahoma City, a distance of 386 miles.

Louis J. Fischer, general manager of Home in Chicago, gave a dinner at the Union League Club for the office managers and special agents this week. The guests dined on pheasants bagged by E. J. Busch, manager of the loss department, in a hunting trip of last fall.

Thomas A. Barbee, 64, veteran field man for the North America companies in Springfield, Ill., died there of a heart ailment. Mr. Barbee joined Alliance in 1922, working from Chicago. In 1936 he went to Springfield for the North

America group. Prior to joining North America he was with L. & L. G. as a field man in Illinois.

A. E. Treiber, special agent for Fireman's Fund in the southern California office in Los Angeles, observed his 25th anniversary with the company, and was honored at a luncheon given by his associates. The heads of the different departments in the local offices attended as did Frank L. Donahoe, chief underwriter at the home office. Mr. Treiber joins the "Pioneers," the company's honor organization.

Albert L. Kendall, 86, retired fire protection engineer, died in Framingham, Mass. He graduated from the Massachusetts Institute of Technology in 1894 and worked for the Associated Factory Mutuals in Boston until his retirement some 10 years ago.

National Fire has gotten out a brochure honoring Elmer D. Straka on his 25th service anniversary. The entire 25 years have been in the Nebraska field with headquarters in Omaha. Since 1939 he has been state agent. He is most loyal gander of the Nebraska Blue Goose.

George J. Wegmann, president of Lafayette Fire, New Orleans, has been elected a director of Pan-American Life. Mr. Wegmann succeeds his father, the late John X. Wegmann, who served on the board 17 years.

WANT ADS

An established general agency operating in Colorado, New Mexico and Wyoming, with good local agency connections requires the facilities and additional outlets of a strong insurance company. Address in confidence to E-55, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Special Agent Wanted

Young man to travel Indiana for stock fire insurance company. Headquarters at Chicago. Also opening for Cook County special agent. In reply give particulars. Address E-48, The National Underwriter, 175 W. Jackson Blvd., Chicago, Illinois.

MARINE MAN AVAILABLE

Experienced Marine Insurance man wants position with agency or company. Married. Willing to travel. Excellent references. Address E-7, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

MAP CLERK WANTED

Company insurance office has map clerk position open for young man. Ideal working conditions, good pay, five day week. Apply Room A-1331, 175 W. Jackson Blvd., Chicago 4, Ill.

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In the Chicago office of one of the large fire and casualty Groups. Permanent position, good starting salary and excellent opportunity for the right man. Give age, background and experience. Replies will be treated as confidential. Apply or write to Loyalty Group, 115 floor, 120 So. LaSalle St., Chicago, Ill.

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H. B. Chrissinger, } Managers

R. L. Thiele, Asst. Mgr.
P. A. Pederson, Chief Inspector

On the March to Multiple Line Writing: Diemand

(CONTINUED FROM PAGE 1)

the tremendous demands of the local market that it has been forced to neglect the foreign field."

American business, he said, is pushing out into world markets and expects American insurance to follow its fortunes. Mr. Diemand said that American insurers in the foreign field should be put on a basis of equal competition with foreign insurers.

In concluding that there is no need or virtue in multiple line reinsurance, Mr. Diemand said, the opposition report contradicts itself. On the one hand, he said, it denies that insurance in this country is over-capitalized and on the other hand expressed the hope for bigger and better American reinsurance markets.

Old Story in Auto Line

In opposing automobile multiple line underwriting the report ignores the fact that this principle has for a long time been applied in most states.

In opposing the multiple line principle in aviation, Mr. Diemand charged the opposition would hamstring the development of a new and promising insurance venture.

Mr. Diemand said there has been a change in executive opinion in recent months in favor of the principle. The pressure for multiple line underwriting will continue to grow, he predicted, as those states which feel disposed to resist the movement are confronted with the question of whether they will allow their domestic companies to transact broader writing powers outside their state than are permitted them within the state.

To underwrite from the multiple line standpoint is to consider the risk offered with relation to all hazards and exposures. There may eventuate a single contract or several contracts. There can only be a single contract if the license permits the combining of one or more kinds of insurance. Multiple line underwriting and writing power are not synonymous with the expression "all risk" insurance or "single policy" or "package" insurance. Broad form coverage in a single policy involving the combining of kinds of insurance is the result of statutory permission.

The insurance institution in this country is now of age and in a strong position to meet any changes brought about by the extension or granting of multiple line powers, Mr. Diemand asserted.

Prof. Blanchard, in commenting on Mr. Diemand's talk threw a number of brickbats at opponents of multiple line legislation, particularly those who have stated that there is "no demand" for broadening of underwriting powers. He also said that the "careful inquiry" which some insurance interests say they had conducted in arriving at this conclusion cannot have been very careful, as the insurance division of the American Management Association has repeatedly shown an overwhelming percentage of buyers of insurance wanting multiple line and comprehensive coverages. He said that the original purpose of restrictive laws was to keep insurance companies from unusual ventures, but that a company can get itself into trouble writing fire insurance only or any one line only. Assuming reasonable underwriting judgment, it should be obvious that the more diversified lines an insurance company writes, the safer it should be financially.

The distinction between multiple line insurance and comprehensive insurance should be remembered, Dr. Blanchard said. A survey of a number of different countries showed that nowhere, despite multiple line underwriting powers, is all risks insurance now written on fixed property.

Teachers Group Holds Annual Parley at Cleveland

(CONTINUED FROM PAGE 1)

the award, not for any one specific book or article, but for his cumulative work in drawing up and explaining new life insurance tables of mortality, and related matters. Although the tables are known as commissioners ordinary standard and commissioners industrial standard mortality tables, Mr. Guertin has been so closely identified with this work that the laws adopted in most states making these tables mandatory and setting up new uniform reserve standards after 1948 are commonly called the "Guertin laws."

The award was a complete surprise to Mr. Guertin, who earlier that day had delivered a scholarly discussion of non-forfeiture and valuation legislation based upon his work and who thought his presence at the speakers' table during the dinner was solely on that account. In presenting the award, President Dickinson pointed out that Elizur Wright, the first commissioner of insurance of Massachusetts—1858 to 1865—is often called the "father of legal reserve life insurance" and hence it was very fitting that Mr. Guertin should receive an award named in his memory. The award, made possible by an anonymous donation, was first given last year, the first recipient being M. E. Davis, Metropolitan Life, for his book "Industrial Life Insurance" published in 1944.

Two Major Sessions

The one-day meeting was aptly divided into a morning session on life insurance and an afternoon meeting on property and casualty insurance, with important topics of the day discussed in two papers at each session. The meeting room was comfortably filled in the morning, with President Dickinson in the chair, when Mr. Guertin discussed his topic, followed by a discussion led by H. H. Jackson, Montpelier, vice-president and actuary, National Life of Vermont. Clyde Cover, Fort Wayne, assistant general counsel Lincoln National Life, discussed state life insurance legislation following public law 15. Irvin Bendiner, Philadelphia, New York Life, discussed this paper.

The overflow crowd in the afternoon amazed everyone with Prof. S. S. Huebner, University of Pennsylvania, first president of the association, presiding. J. A. Diemand, Philadelphia, president North America group, discussed developments in comprehensive property and casualty insurance, followed by E. C. Stone, Boston, U. S. manager Employers Liability, who spoke on property and casualty regulations resulting from public law 15. Prof. R. H. Blanchard, Columbia University, also a past president of the association, led the discussion on both papers. Superintendent Dressel of Ohio was the dinner speaker.

Business Meeting

At a brief business meeting following the afternoon adjournment, the election of officers was certified and the members approved a number of measures which the executive committee had had to take because of the impossibility of holding meetings during the past few years. The future of the Elizur Wright prize was discussed in some detail and President Dickinson was made chairman of the committee to pass on this award for the next three years, with the officers and other members of the executive committee as the balance of this committee. The anonymous donation which made the prize possible was guaranteed for five years. Although Prof. Dickinson expressed a wish that the awarding should rotate among different judges, the members felt that his personal work in securing the award made it advisable that he be close to it until it is firmly established.

There were two projects close to



"ALL RIGHT, SO YOU'VE HIT A JACKPOT, - 6 INTERVIEWS AND 6 SALES. DON'T MAKE THE MISTAKE OF RELAXING ON LAURELS. NOW IS THE TIME TO PUSH THAT ADVANTAGE AND GO PLACES."

President Dickinson's heart, the Elizur Wright prize and the establishment of a quarterly journal as a vehicle for scholarly articles on insurance. There was considerable discussion of the latter idea, the matter finally being left to the executive committee for a report at next year's meeting. Dr. C. A. Kline, University of Pennsylvania, secretary-treasurer, reported that the sale of the "Proceedings" of the association has increased materially and the idea was expressed that the best approach to a journal might be to expand the "Proceedings" into one other publication during the year, with further expansion if the results are favorable. The question of annual dues was also referred to the executive committee. Prof. Huebner pointed out that all signs indicate a great increase in insurance teaching in colleges in the immediate future and the association members are anxious to make membership attractive to the large number of young men who will enter the insurance teaching field as a result of this.

Meeting Well Handled

Despite the difficulties of picking up after a lapse of four years, the meeting went through without a hitch and the members were very grateful for the local cooperation. E. W. Brailey, associate general agent New England Mutual Life, and S. J. Horton, secretary Insurance Board of Cleveland, were recognized at the dinner for their assistance in making arrangements. H. E. Haiman, Northwestern Mutual Life, president Cleveland Life Underwriters Association, welcomed the group. A large number of Ohio insurance men were present, including Secretary T. M. Gray of the Ohio Association of Insurance Agents and J. C. Hiestand, secretary Ohio Farmers.

Maj. Reede Welcomed

Maj. Arthur Reede, now on terminal leave and about to return to his work at Penn State, attended in uniform and was welcomed by his old colleagues. He has been in the army three years and spent the past two years in military government work in Italy, where his duties were rehabilitating Italian insurance companies.

Celebrates 25 Years with Home

Misses Ellen Kelly and Bertha Hawley of the Chicago office of Home Indemnity celebrated their 25th year with the company at a dinner at the Union League Club given by General Manager L. J. Fischer. They were presented with medals and pins denoting membership in the Quarter Century Club by resident secretary E. R. Hurd. Four other members of the Quarter Century Club were present. The active club members were taken to dinner and a play.



EDITORIAL COMMENT

Problem of Underinsurance

Underinsurance is considered by insurance men more of a problem now than during the war.

Insurers are not especially concerned about the inflation of residential and business property values, but they are worried about a critical public attitude that will develop and grow as more and more persons suffer underinsured losses.

No matter how willing the company is to pay the full face value of a policy, the company, the agent and the industry as a whole will earn a widely-voiced bitterness if the insurance is below what the owner has invested in his property. This is particularly true nowadays when practically all owners are willing and able to buy whatever protection they need.

During the war it was obvious that many things were increasing in value and decreasing in availability, but with peace many persons are not so apt to be conscious of the need for more adequate insurance. It is up to the agents to bring it to their attention, although the companies are well aware of the problem and are willing to do what they can in the way of advertising.

If 25% more insurance were written on residential and business properties the increased commissions to agents

would go far to offset the decreases in rates which have taken place in many states in the past two or three years, particularly on residential property.

It is often easy to get agents to respond to a new idea for getting business on the books. It is rather hard to take an old idea and get action on it. Yet there are a dozen ways in which the present subject matter could be brought up with policyholders and prospects.

One method is to check the percentage decrease in fire insurance rates in the agent's community in the past 25 to 40 years and then figure the rough average by which values in the community have increased. The two percentages may be fairly close to each other.

A considerable amount of the present increase in the value of existing residential and business property will continue as a part of the replacement cost and, therefore, as part of the insurable value. Consequently, revising insurance to fit new values is not a stop-gap adjustment but is an essential change that must be reflected in insurance if the industry is to accomplish in any proper way its purposes and avoid creating critical reactions that it may take years to overcome.

Department Store Comparison

Company officials may be inclined to be pessimistic because losses are hitting them on certain classes. For instance, automobile insurance is now in the doldrums largely due to the high collision loss ratio. The property damage ratio is high. Yet in taking the broad view of the year a company may have made a very good profit because the experience on the other classes is favorable.

An insurance company writing a diversified business is much like a large department store. A store is destined to lose money on some of its goods.

Leadership Responsibility

We look for leadership in insurance today especially to those companies that are doing things, are on their toes and are accomplishing results, are going forward with great strides, have modernized their merchandise and have the financial ballast and momentum to carry them along without difficulty. We are wondering if the officials of such companies realize their responsibility in this

connection. They stand out, they are out in front. They have the influence. What they say and do amounts to something. Therefore such companies should not hesitate at all to champion causes that are right and just. They should take the lead when other companies probably hold back.

We need leaders. There is much to do today to put insurance in the proper

light before the public. Sometimes a very successful company seems to throw aside the opportunity to be a leader. Any successfully operated company that is attracting attention can establish standards for itself, recognize trends in the business and do much in clearing out the deadwood and making paths for others to tread. In this way a company not only meets its own obligations to its policyholders and stock-

holders if it has such, but it can blaze the way for others less fortunate to tread. A company of this character creates in the public mind a friendship for insurance. There never was a time when leadership was so essential. Where an official has the capacity for leadership, has the courage of his convictions, has the ability to peer into the future, the responsibility should not be set aside.

PERSONAL SIDE OF THE BUSINESS

DEATHS

Henry H. Reed, general manager of Insurance Company of North America in New York city, has been made chairman of the fire insurance division for the National Service Fund of the Disabled American Veterans.

J. T. McAndrew, well known independent adjuster of Jacksonville, Fla., after a rather serious siege of illness for the past 90 days is back on the job and in good shape.

W. Owen Wilson of Richmond, Va., past president of the National Association of Insurance Agents, is back at his desk after being laid up for a time with a severe attack of influenza.

George E. Freese, Kansas state agent of St. Paul F. & M., who was expecting to report to the home office by late January had an attack of "flu" and following several days in the hospital has been confined to his home, so will be delayed in reporting to St. Paul.

While there is an oft quoted phrase "he died of a broken heart" used in a sort of a figurative sense yet such seems to be the case in the death of **Charles C. Hannah**, president of Fireman's Fund. Mr. Hannah had nursed a complaint that he had harbored for some time, postponing an operation on account of the illness of Mrs. Hannah. Mrs. Hannah died a few weeks ago and he decided to have the operation. The surgeons found nothing of a grievous nature and seemingly no ultimate cause of death. The conclusion, therefore, appeared to be that Mr. Hannah was overcome with grief owing to the death of his wife. The two were very congenial. Mr. Hannah following his wife's death in letters to those who had written him in condolence revealed his great affection and the bereavement seemed to overcome him entirely in his expression.

To mark the 25 years of **C. S. Brinkerhoff**, examiner in the automobile department of the North British group, his associates gave him a buffet supper. Secretary **Albert E. Lehman** presided and presented him with a suitable gift. Mr. Brinkerhoff joined the group as inspector in the local department, transferred to the loss department, then to the automobile department.

Samuel Bigelow, former manager of the Virginia Association of Insurance Agents, is now with New York Life in Charlottesville, Va., on a full-time basis. He recently returned after 42 months in the navy. He was a lieutenant-colonel in the intelligence division.

After four years in the army, **Maj. Joe Fred Gibson** has returned to Oklahoma City. For four years before entering service he was assistant insurance commissioner of Oklahoma.

Mrs. Mary Ann Brumbaum, mother-in-law of Frank A. Christensen, executive vice-president of America Foreign, died at the Christensens' home at Garden City, L. I. She was born in Chester, Eng., and was the widow of Theodore F. Brumbaum.

Harry Allen, Jr., 61, for a number of years a local agent there, died in a Richmond hospital.

One of the oldest active men in the insurance business in Buffalo, **John J. Dennison**, 79, died recently after a heart attack. He established his business 50 years ago.

John W. Dunlop, Jr., 39, who returned to the Boston agency of O'Brien, Russell & Co. a month ago following his discharge from the army, died suddenly of pneumonia in New York city. He had been with the agency previously since 1933.

Harry E. Alexander, a brother of the late W. A. Alexander, founder of the W. A. Alexander & Co. agency, Chicago, and a broker with that office from 1889 until he retired about four years ago, died in Los Angeles this week at the age of 79. His wife, Pearl, was with him. An only child, Mrs. Curtis Hester, resides in Grand Rapids. He never was a member of the firm, as he did not aspire to agency administration or production work. Instead he was satisfied to take care of his very substantial personal production.

Frank Allyn, 70, one of the insurance pioneers of the Pacific Northwest, who founded and headed the independent adjusting firm which bears his name, died at his home in Seattle. In 1903 he started the general agency of Allyn & Hill of Tacoma, selling his interest in 1915 to start his adjusting business, the first office being in Tacoma. The Allyn head office was moved to Seattle in 1916.

When he became ill in 1935, he elevated **L. T. R. Snyder** to vice-president and general manager. Mr. Snyder started with Mr. Allyn in 1928 and has been the active head for 10 years.

Robert M. August, partner in the August & Bray agency, Logan, W. Va., died in Richmond after several months' illness. Mr. August was one of the best informed agents in the eastern territory. He went to Logan in 1924 and formed a partnership with John Claypool. In 1927 A. B. C. Bray joined the partnership, now known as August & Bray.

Winners never quit and quitters never win.

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POINTERS FOR LOCAL AGENTS

Many "By-Products" for Agent in Group Insurance

The possibilities for agents of group writing companies generally in writing additional insurance or other lines of business on group policyholders were brought out by John G. Phillips, service supervisor of the group department of Equitable Society in its Kansas City office, in his sales congress talk at the meeting of the National Association of Accident & Health Underwriters in Wichita on "By-Products of Group Insurance." He said he knew that many of the agents in attendance had never written any group business and might feel that they were not interested, but pointed out that the opportunities he was citing can accrue to the agent who has never written a group, as well as to those who have.

Mr. Phillips also took up group medical expense, the latest addition to the group man's kit.

With group insurance now in the "big business" class, not only as regards life insurance but also group hospitalization, accident and health, accidental death and dismemberment, and group annuities, he said that if there is any business organization or branch of a business in the agent's community that has group insurance written by his company, he immediately has a natural entree and a wonderful source of prospects—prospects who are already his company's policyholders.

Help Solve Problems

"In any of these locations, you can walk in, introduce yourself as your company's local representative, a representative of the company that is privileged to underwrite their group insurance, and offer to be of assistance to them whenever they have problems arising from their group coverage. You may not be able to solve all their problems on the spot, but to be of service to them, you should know where they can have their questions answered promptly. Some matters can be taken up with your own local branch office; some matters can be taken up with your group department field men, and some will have to go to your home office. Different companies have different practices as to where they keep the record of group cases."

Questions of Coverage

The agent can build prestige for himself and come to be looked upon by the group as their "insurance man" by giving service and answering the many questions that arise about when a person is or is not covered. Questions of that sort which frequently come up are: "Are my dependents covered under hospitalization?" "Can I collect accident and health when I'm off because of an occupational accident?" "Am I covered when I'm in a Veterans Hospital?" These questions usually are answered in the booklet which is given to group policyholders, but the agent, being more familiar with insurance terms, frequently can give answers that a layman cannot find.

Mr. Phillips suggested that the agent make a call and advise each or any of the employees, from the boss to the janitor, that because they are his company's policyholders, they are entitled to his insurance survey service. "Regardless of what coverage they have, it is still a fine door-opener for you to

discuss a man's complete insurance program and, of course, an opportunity to recommend additional insurance for needs that he does not have covered."

While all group life insurance can be converted within 31 days after termination of employment, with no medical examination required, most group writing companies do not provide for the continuance of group accident and health after the insured terminates his employment. However, by contacting groups in the agent's community where his company has accident and health in force, he should be able to obtain from them each month a list of the employees who have terminated their employment. This list, he said, certainly should be prized as a splendid prospect list for individual accident and health policies. Many agents, by properly servicing groups, have arranged to secure each month a duplicate list of the insured reported to the home office for termination.

Of course, the man who sells a group has a splendid opportunity to secure information that will help him qualify the employees of that group as prospects for individual business. The acceptance cards that pass through the agent's hands show the name and age of each employee and if life insurance, his beneficiary. About 50% of the group plans are set up on a basis where the benefits vary in accordance with earnings. In these cases the agent knows the salary bracket of each employee. If it is a group annuity, he knows the exact earnings of everyone. If there is dependent hospitalization, he also gets the names and ages of employee's wife and children.

Contact Top Employees

"To sell group you must get to the top executives of the company. To install it you must deal with the key men and department heads and since selling a group and installing it is something that can't be done in one interview (it takes several and sometimes many) you have a good opportunity to know well the top employees."

Many outstanding producers attribute their success in personal production to their prospecting methods. "Where else could you have better entree to a group of wage earners or where else could you find a group of men under one roof about whom you have more information?" Mr. Phillips asked. "Contacting and servicing a group is profitable and, of course, when you sell it and service it it is doubly profitable."

RETURNING VETERANS

The possibilities in the insurance field for returning servicemen, both as prospects and as prospective agents, were reviewed by D. Stuart Walker, Philadelphia manager of Mutual Benefit Health & Accident and United Benefit Life.

Mr. Walker declared that the sales procedure of the future in that field will be dominated by the influence of the 14 million veterans of the second world war and that any salesman who is going to service this market must be familiar with the veteran's viewpoint, his National Service Life Insurance benefits and his hospital, disability and

pension rights. He referred to several booklets on that subject, including one published by the Diamond Life Bulletins, entitled "When the War Is Over for You."

These boys have been accustomed to economic security in their military life—they must now provide their own. The returnee will be assured of hospital care through Veterans Administration facilities, but will want to assure continuity of income for himself during disability and hospital protection for his family. With his National Service

Life Insurance already provided on an unusually economical basis, disability protection is his most obvious and crying need.

He said many of them had walked into his office unsolicited and inquired about protection. This means that there are lots of new buyers in every neighborhood who have no regular insurance man. They are easily approached and it is a challenge to the agent to act promptly.

In taking up the returning veteran (CONTINUED ON PAGE 28)

SAFEGUARD

YOUR LATIN AMERICAN INTERESTS



THROUGH LATIN AMERICAN SPECIALISTS

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1905

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CONTINENTAL COMPANIES

General Offices: Chicago, Illinois

Continental Casualty Company

Financial Statement—December 31, 1945

ASSETS

Cash	\$ 5,322,671.61
*United States Government Obligations....	30,877,616.25
*Other Public Bonds.....	3,746,584.51
*Railroad Bonds	\$ 677,008.30
*Public Utility Bonds.....	1,380,297.93
*Miscellaneous Bonds	555,832.46
Total Corporate Bonds.....	2,613,138.69
*Preferred Stocks	4,557,444.00
*Other Stocks	13,056,153.00
Mortgage Loans	215,947.20
Administrative Office Buildings.....	2,942,781.19
Premiums in Course of Collection.....	5,196,978.42
(Not over 90 days past due)	
Accrued Interest and Rents.....	212,621.81
Other Assets	158,013.93
Admitted Assets	\$68,899,950.61

LIABILITIES

Unearned Premium Reserve.....	\$15,037,235.96
Reserve for Claims.....	23,940,007.92
Miscellaneous Liabilities	4,017,255.45
Reserve for United States and Canadian	
Income Taxes	790,125.45
General Contingency Reserve.....	7,400,000.00
Capital	\$ 5,000,000.00
Surplus	12,715,325.83
Capital and Surplus.....	17,715,325.83
Total	\$68,899,950.61

*Eligible bonds amortized. Insurance stocks valued on basis of pro-rata share of capital and surplus. All other securities at quotations prescribed by National Association of Insurance Commissioners.

Net Premiums written during 1945.....\$42,524,101.07
Increase over 1944

4,216,480.89

DIRECTORS

W. McCORMICK BLAIR
William Blair & Company
WILLARD N. BOYDEN
Vice President
ROLLIN M. CLARK
First Vice President and Secretary
M. P. CORNELIUS
General Counsel
*W. G. CURTIS
President, National Casualty Company

*Continental Casualty Company only

*EDISON DICK
Executive Vice President,
A. B. Dick Company
*HARRY W. DINGMAN
Vice President and Medical Director
FRANK R. ELLIOTT
Director, Harris Trust and
Savings Bank
*BOYD N. EVERETT
Vice President and Treasurer
CHARLES F. GLORE
Glore, Forgan & Co.

Continental Assurance Company

Financial Statement—December 31, 1945

ASSETS

Cash	\$ 2,866,915.13
*United States Government Obligations....	24,253,212.73
*Railroad Bonds	\$ 8,283,840.32
*Public Utility Bonds.....	13,065,081.64
Miscellaneous Bonds	5,077,020.78
Total Corporate Bonds.....	26,425,942.74
*Preferred and Guaranteed Stocks.....	3,793,469.35
*Other Stocks	2,020,865.87
Mortgage Loans	6,641,880.37
Policy Loans	3,269,679.17
Home Office Building.....	2,513,178.04
Other Real Estate.....	36,525.29
Net Deferred and Uncollected Premiums..	2,717,876.79
Accrued Interest and Rents and Other	
Admitted Assets	352,384.75
Admitted Assets	\$74,891,930.23

LIABILITIES

Statutory Policy Reserves.....	\$58,125,885.92
Pending Claim Reserve.....	2,410,820.58
Premiums Paid in Advance.....	2,817,240.10
Miscellaneous Liabilities	3,116,387.53
Group Contingency Reserve.....	825,000.00
General Contingency Reserve.....	1,650,000.00
Capital	\$2,000,000.00
Surplus	3,946,596.10
Capital and Surplus.....	5,946,596.10
Total	\$74,891,930.23

*Eligible bonds amortized. All other bonds at quotations prescribed by National Association of Insurance Commissioners. All stocks at lower of cost or such quotations.

Insurance in Force as of December
31, 1945, ("Paid-For Basis").....\$539,436,117
Increase over 1944

40,797,223

*NORMAN HOAG
Vice President

ARNOLD B. KELLER
Senior Consultant and Director,
International Harvester Company

*F. D. LAYTON
President, National Fire Insurance
Company of Hartford

T. ALBERT POTTER
President, Elgin National Watch
Company

*Continental Assurance Company only

*HOWARD C. REEDER
Vice President and Actuary

*J. M. SMITH
Vice President

R. DOUGLAS STUART
President, The Quaker Oats Company

STUART J. TEMPLETON
Wilson & McLaine

ROY TUCHBREITER
President

Casualty Insurance

Fidelity and Surety Bonds

Life Insurance

The Continental Year Book discloses in greater detail the Companies' operations and financial structure. It will be furnished upon request.

Agents in National A. & H. Association Voice Desires

To Tell Companies What
They Want—New
Financial Setup Adopted

By FRANK A. POST

The outstanding event of the mid-year meeting of the National Association of Accident & Health Underwriters in Wichita was the emergence of the personal producers as an articulate group. Ordinarily there have not been very many of them at the National association meetings, outside of those from the convention city, and this was the first time they had been given special recognition on the program.

The first afternoon, while the managers and general agents were holding their separate session, a meeting, open to agents only, was scheduled on the general theme: What should agents receive from managers and companies? C. M. Barricklow, Business Men's Assurance, Ponca City, Okla., was chairman. At the scheduled time more than 80 people crowded into a room which was expected to take care of about half that number, all of them intensely interested, as evidenced by questions and comments.

Committee to Draft Recommendations

There were several topics that kept coming to the surface as the ones of greatest interest to the agents, and at the conclusion of the session a committee composed of David H. Stein, Pacific Mutual Life, Denver, chairman; Mr. Barricklow, Rolf R. Noll, Mutual Benefit Health & Accident, Kansas City, Mo.; Louis H. Gilles, Postal Life & Casualty, Kansas City, Kan.; S. A. Hemphill, Great Northern Life, Enid, Okla., and Margaret E. Olson, North American Life & Casualty, Minneapolis, was named to draft recommendations on these topics and submit them to the agents' group at another meeting after the main convention session the next afternoon.

At that adjourned meeting the committee presented a draft of several tentative recommendations to the National association and the companies but suggested that no definite action be taken at that time; that the committee be continued to contact other agent-members of the National association who were not in attendance and get their ideas, and have its recommendations ready for presentation in definite form at the Denver convention next June. It is felt that by that time it will be possible to get the agents better organized in support of a program which meets with their general approval.

Attendance Better Than Expected

The Wichita meeting was regarded as being a most successful gathering. The official registration was around 270, which was higher than most of the National association executives had expected. Railroad facilities for getting to Wichita from the east and east central sections are not too good, but the comparatively small attendance from the larger cities was counterbalanced by a flood of small-townsmen from Kansas.

(CONTINUED ON PAGE 27)

Agency Management Problems in Accident-Health Field Reviewed

Suggestions on recruiting, training, supervising and financing of agents were presented at the managers' session of the midyear meeting of the National Association of Accident & Health Underwriters in Wichita, with R. J. Barrett, Occidental Life, Kansas City, presiding.

C. W. Cameron of Oklahoma City, southwest division manager of North American Accident, who led the discussion on recruiting, believes that strong personal production of a manager and the entire agency staff automatically solves the recruiting problem. He built up a \$500,000 premium volume in 10 years on that basis. He has never made any special plans or special effort to get new agents, believing that the right type of personal production for himself and his staff would automatically attract a sufficient number of new agents to continue the growth of the agency.

When Mr. Cameron opened his office in Oklahoma City in 1935, at the suggestion of President George Manzmann he devoted his entire time to personal production and it was about six months before he hired his first agent. One new man was added about every six months thereafter until he had an agency force of 10, when it became necessary for him to give less of his time to production, although he is still a strong personal producer.

Several of his old-time agents are now managers at other offices in the southwestern division and they, in turn, are using the same system.

Training New Recruit

In getting the new recruit into production, Bert A. Hedges, Business Men's Assurance, Wichita, takes a middle ground between the old idea of giving the new man no training at all and the plan under which he is permitted to do no soliciting at all until he has spent several weeks or even months in branch office or home office schools. He considers it important to get the recruit into the field early and that he can be made a good producer in a very few weeks through a combination of office or school instruction and field practice.

The things he expects to teach the new agent in the first three months are: (1) The major benefits offered to prospective buyers under one or two, or possibly three, policies sold by his company; (2) a clear, non-technical method of explaining these benefits, with enough emotional appeal to arouse a desire to purchase; (3) who are the most likely buyers and how to contact them; (4) how to make the greatest possible use of his time so as to secure the greatest number of sales contacts each day and to form proper working habits; (5) certain elementary principles of underwriting, claim service and company practices.

The beginner is given a good introduction to his future prospects. A letter is sent to any list he may submit up to 500 or 600 names. If there are any orphan policyholders in the town, they are included in the list. An "ad" usually is run in the home town paper.

Mr. Hedges said his first year salesmen produced approximately \$40,000 in new premiums last year.

His agency has qualified for "on the job" training under the G.I. bill of rights and he has obtained some very promising recruits from among service men. He has revamped his training program to meet the V.A. requirements and is giving it to all new men.

C. T. Redfield, Mutual Benefit Health & Accident, Chicago, who was scheduled to talk on supervision, said he has no supervisors in the sense of men who go

out with recruits. He considers that the manager who uses that system is passing the buck to someone else to do his job.

His office is departmentalized, with managers in charge of brokerage, group and other departments. These managers are needed in the office and don't have time to go out and make sales. There is a salaried man who hires all new men and spends a week with them. There are no sales meetings but he talks with agents individually.

Mr. Redfield described the savings plan for agents in force in his office. Every agent must decide how much he wants to save each week and turn the money over to a designated person in the office, who deposits it for him. If an agent wants to buy bonds, it is handled in the same way. He believes that no man is happy unless he is making money and saving money. He emphasized that these deposits are strictly the agents' property and are not used to guarantee any balances they may owe. His men write their own drafts and pay their own claims.

Kern Tells His Plans

August Kern, Jr., of St. Louis took up the subject of financing agents. He said his advances to a new man are only enough to provide the bare necessities. Otherwise he might lie down on the job. He pays the agent a certain amount and puts any balance into reserve. He advised very strongly against taking on more men than the general agent is able to handle and train, including G.I.s.

Mr. Kern has an unusual method of handling business in the smaller places. In a town of 2,000, there isn't enough accident and health business for a man to devote his full time to it, and it has to come from the general-writing agents. He names men who are established, self-sustaining producers in the larger towns as supervisors to help an agent in each of the smaller towns in his vicinity get started on accident and health production. They are required to spend a certain amount of time in these towns and get a salary and expenses, in addition to a very small overriding commission on the business the agents under their supervision write. A quota is set for these small town agents of one policy for each 100 people in the town. If they can't get that many, they're not worth bothering with. It may require a number of visits from the supervisor to get them started, but when they get on the right track, they usually go ahead without much further supervision.

International Claim Assn.

To Meet in Quebec Sept. 9-11

The thirty-seventh annual meeting of the International Claim Association will be Sept. 9-11 at the Chateau Frontenac, Quebec.

A program covering post-war problems and developments relating to insurance claim matters is being planned.

Increases Cal. Collision Rates

LOS ANGELES—Pacific Employers has increased auto collision rates in California, and some of the increases amount to 40% and are effective Feb. 15.

Miss A. L. Woodhead, secretary, in making the announcement, said collision insurance is on the bargain counter and the motorists are getting a "free ride" at the expense of the carriers. This situation needs immediate correction. The increase, she declared, will not bring this line out of the red but should alleviate to some extent the loss now being taken.

Give All Chance to Write at Mutuals' Net Rate, Stone Asks

Assails Prior Approval,
Single Tariff, Deviation
Resistant Statute

CLEVELAND—A rate law of the prior approval type, with deviations permitted only on the showing of a lower than average expense ratio and with a single uniform tariff for all insurers, would leave a clear field for participating companies and would hobble particularly the independent non-participating companies, according to Edward C. Stone, U. S. manager of Employers Liability, who addressed the annual meeting here of the American Association of University Teachers of Insurance.

Mr. Stone emphasized that the ones that need the umbrella of state regulation are the organization insurers. The independents have been doing nothing that is barred by the anti-trust laws. Hence he expressed indignation at the prospect of independent stock companies being compelled to put their heads in a noose.

Biddle, Roosevelt Statements

All statements of former Attorney General Biddle or of President Roosevelt, as to effective, affirmative regulation of rates by the states, he pointed out, had reference to combinations of two or more companies or agreements of two or more companies to make rates. They have no application to the independent insurers whose operations are entirely in keeping with the free, full, fair competition which it is the purpose of the various federal acts to maintain and preserve in a free, competitive economy.

However much it may be desirable or necessary to have prior rating approval for groups of companies the insurance commissioners' bills go farther and provide for advance rate approval for independent companies.

The effect of such legislation is to require approval in the first instance of a single rate to be used by all companies. The non-participating stock company is put in a straitjacket and is at a definite, competitive disadvantage with respect to price, since the policyholder dividend becomes a legalized rebate.

Mr. Stone referred to the fact that Superintendent Dineen of New York, whom he characterized as the leading exponent of prior approval, said that advance approval has been used for years by many states in workmen's compensation insurance and to abandon that principle in a field of social insurance would be a backward step.

No Free, Competitive Economy

To this, Mr. Stone replied that in so-called closed states but one rate is initially approved for compensation and for all types of insurers with the result that the participating companies have a definite, competitive advantage as to price. "Where is there," he asked, "under such laws, the 'free competitive economy' which Congress, according to Senator O'Mahoney, wanted to stimulate and revive?"

Rhetorically, he asked: "What shall be said of the failure to provide for any

(CONTINUED ON PAGE 28)

U. S. F. & G. Is Now at Half Century Mark

U. S. F. & G. will celebrate its fiftieth anniversary this year, having been chartered by the Maryland legislature March 19, 1896. It is one of the few survivors among the 25 companies that were in the field at that time.

The company has had but three presidents, the late John R. Bland, R. Howard Bland, now chairman, and E. Asbury Davis, its present head. During the period this company participated fully in the pioneering and development of the casualty-surety business and its assets have risen to more than \$100 million.

U. S. F. & G. was founded by John R. Bland and for its first 27 years he was its president. He was one of the most colorful and influential figures in corporate suretyship and later in casualty insurance and left an imprint on the company. He was 45 when he founded U. S. F. & G.

In 14 years from 1896 Mr. Bland led U. S. F. & G. to front rank in the surety business and built up an organization known for its aggressiveness in the development of new lines and new territories. The company entered the casualty business in 1910.

It was difficult in 1896 to raise the small initial capital, for the effects of the panic of 1893-4 had scarcely worn off.

Original Purpose

Mr. Bland's original idea was for a company to operate in the field of credit and collection affairs.

Mercantile concerns were dependent on attorneys for credit information and for making collections, so Bland's idea was to create a new list with an attorney in every county seat and important town. These attorneys would be covered by a surety bond guaranteeing prompt remittance of collections. Mercantile concerns would be charged a fee and attorneys would pay for being listed. Such a list of guaranteed attorneys was created and this business is still conducted by U. S. F. & G. today as the attorneys list. But almost at once surety bonding became the chief business of U. S. F. & G.

Within three years U. S. F. & G. had gained admission to every state and in 1903 entered Canada. It was operating in a modest office in an old warehouse at Calvert and Redwood streets. Today its home office occupies a group of buildings on the same site, while over the continent it has 44 branch offices, besides 135 claim offices.

Corporate Suretyship Crusade

In 1900 the company started writing burglary insurance.

U. S. F. & G. was influential in educating the public to acceptance of corporate suretyship in place of personal suretyship. John R. Bland drilled the agency force in the A. B. C.'s of handling the business and drummed into them the gospel of corporate suretyship. He went on the circuit, meeting his men in regional conclaves. At these gatherings he usually had business and political leaders. Everything was done to stimulate the morale of his agents and to carry the word about corporate suretyship to all sections. U. S. F. & G. at an early date also sent out over the country home office trained special agents.

On Feb. 6, 1904, the office force worked until late moving furniture and records into remodeled quarters. The

(CONTINUED ON PAGE 28)



E. Asbury Davis

Aviation Coverage Called Third Major A. & H. Development

Aviation accident insurance was classed as one of the major developments in the field of accident and health coverage by Darrell Smith, vice-president of American Casualty, in his talk at the midyear meeting of the National Association of Accident & Health Underwriters in Wichita. Tracing the history and development of the business as a whole, he said it had shown gradual expansion and gradual refinement until 1939. Since then there have been three major developments, the first being hospital insurance, now one of the two greatest lines of accident and health and the bell ringer of all time. The second was group insurance, which has accounted for many millions of premiums in the past few years and has become recognized as a definite part of any successful employee relations plan.

He said it might require some fortitude to put aviation accident insurance as No. 3 in the class with the two just named, but no more than it did in 1905 to predict the future of automobile insurance. He had taken as his subject, "In the Wild Blue Yonder," apparently just as a basis for declaring that this line of insurance is not wild, is not blue and is not in the yonder of the future, but here right now.

Public Aviation-Conscious

He presented statistics showing the great development in aviation as regards commercial airlines, airport construction, private pilots and privately owned planes, and also the number of air-trained and air-minded men returning from service. All this points to the fact that the American public is more aviation-conscious than ever before and that aviation travel, both as pilots and passengers, is increasing rapidly. Furthermore, in the public's mind flying is hazardous and therefore naturally suggests insurance. "What more do you want?" Mr. Smith asked. "You're accident men—you're salesmen."

He reviewed the expansion of the aviation insurance market, quite limited at first, to where there are now four groups and five companies actively in the aviation insurance business, with many improvements in coverage and lowering of rates in the past year.

One of Simplest Forms

Mr. Smith asked how many in the audience had ever sold an aviation accident policy. Only about 25% of them had, but he declared that any agent can do so, as it is one of the simplest forms of accident and health insurance, with only three factors in the coverage, death and dismemberment, weekly indemnity and medical reimbursement; two types of persons who fly, passengers and pilots or crew members, and they are flying on airlines or on private planes. There are no other classifications.

He showed how simple the typical rate sheet is, and the possible extensions to provide land travel coverage or all non-occupational accident coverage. He also reviewed the possibilities in special policies for groups, for industrial risks, for foreign travel.

He declared that aviation accident insurance has arrived. He pointed out that many agents were caught short when hospitalization started and when group really grew. "Are you going to be caught short again?" he asked. "The third time and you're out."

Urges Va. Boiler Inspection

Governor Tuck of Virginia in a message to the legislature recommended that state boiler inspections should be prescribed. He said the advisory legislative council made a careful study and inspection and regulation of boilers is an acute need. A bill for the purpose has been submitted.

Detroit A. & H. Leader Looses Blast at Blue Cross

A blast at Michigan Hospital Service, in its current controversy with a number of Michigan hospitals, is loosed by George A. Le Blanc in the form of a letter to Robert E. Geoghegan, superintendent of Highland Park General Hospital and chairman of the Greater Detroit Hospital committee. Mr. Le Blanc is president of American Hospital-Medical Benefit and is chairman of the hospital insurance committee of the Detroit Accident & Health Association.

His letter is in the form of an answer to the half-page advertisements published in Detroit newspapers by Michigan Hospital Service.

In contradiction to the statement of the Blue Cross that the hospitals are withdrawing because of a disagreement over payments, Mr. Le Blanc charged that they are doing so because they realize that they are guilty of discrimination against cash paying patients who pay the published rates. Blue Cross assured, he said, are served at a lower rate and on a different basis. Mr. Le Blanc took issue with the statement that Michigan Hospital Service is owned by the participating institutions. M.H.S., he declared, is a separate and distinct corporation, acting as agent for the hospitals. The amount paid for hospital care is determined entirely by M.H.S. in spite of the fact that several directors are hospital men, he declared.

He charged that the only purpose of the contract between M.H.S. and the hospitals is to compel the latter to take a loss. He charges it is a misstatement on the part of M.H.S. to claim that the Blue Cross has met in full either the actual cost or the regular charges of the hospitals to the general public. What the hospitals want, he contends, is their full established rate for services they render. Also, he declared, the hospitals want the service plan to cease demanding statements of operating costs and they resent the M.H.S. audits. They resent the interference despite the fact that M.H.S. claims that the insurance department instructed it to conduct audits. The hospitals want no further interference even from the insurance department, he charged.

The hospitals, he declared, want to get out of the insurance business and want no more traffic with contracts with M.H.S. or any other insurance institution.

Michigan Hospital Service, he said, advertised that it had increased its payments to hospitals five times within the last 3½ years. However, Mr. Le Blanc declared, every time it did so, it got the hospitals to provide additional services. Mr. Le Blanc expressed the hope that the Blue Cross plan will be reorganized so as to do away with contracts with hospitals and to provide a cash indemnity such as is now being paid by M.H.S. to non-participating hospitals.

Beauty Parlor Line Bad Risk with Old Equipment

Halting of manufacture of new equipment has greatly increased the risks in beauty parlor insurance. Since the start of the war it has been impossible to obtain new equipment and replacement parts have become increasingly scarce.

As the machinery gets older, possibilities of accidents involving patrons increases and underwriters on this line have become more and more wary of taking the cover. Rates have risen and operators seeking coverage now, necessarily with old equipment, find that they are being turned down or can obtain it only at very high rates.

This situation is not expected to clear up until after the steel strike is settled and new manufactures can resume normally.

Alpaugh President of Inter-Ocean

J. W. Scherr Becomes Chairman of Cincinnati Accident-Health Company

J. W. Scherr has retired as president of Inter-Ocean Casualty and become chairman, continuing as treasurer. W. G. Alpaugh, vice-president and secretary for 29 years, was elected president. J. W. Scherr, Jr., became vice-president and secretary, and C. W. Alpaugh, assistant secretary.

Chairman Scherr and President Alpaugh both are well known in the ac-



W. G. Alpaugh



J. W. Scherr

cident and health field and both are past presidents of the Health & Accident Underwriters Conference. Mr. Alpaugh is now a member of the executive committee of that organization and of the Insurance Economics Society. They became associated through the merger of Inter-Ocean and the Consolidated Casualty when the company moved its executive offices to Cincinnati in 1917. Mr. Scherr, Jr., became associated with Inter-Ocean in 1931 and C. W. Alpaugh in 1937.

Inter-Ocean's premium income in 1945 totaled \$2,690,245, an increase of \$489,787 over 1944. Admitted assets reached a new high of \$2,183,715, a gain of \$507,175, while surplus to policyholders was reported at \$1,178,561, an increase of \$317,575.

Take Butane Explosion Issue to Supreme Court

In view of the attention that is being given to the hazards involved especially in transporting butane and other liquefied petroleum gases, there is unusual interest in the case of Ward Morrison, Jr. et al vs. Maryland Casualty in connection with which a review by the U. S. Supreme Court is being sought. In this case a decision favorable to the plaintiffs was given by the district court, but the 10th U. S. circuit court of appeals held for Maryland Casualty.

On March 31, 1944, a truck transport insured by Maryland Casualty which was loaded with butane and propane took fire in Oklahoma City.

The Maryland Casualty policy had an endorsement reading: "It is agreed that such insurance as is afforded by the policy does not apply to accidents arising out of explosion of butane gas and other volatile gasses."

While the driver was gone to call the fire department, the truck rolled against the street curb and ignited the Long-Bell Lumber Company's yard and buildings and a nearby residence. While the firemen were attempting to extinguish the fires, a container burst and exploded causing death, damage and injury to persons and property in the area.

The petitioners contend that the negligent and hostile firing and burning of the truck preceded the explosion and that the explosion was proximately caused by, incidental to and occurred during the course and progress of the fire.

The appellate court construed the policy so as to nullify all coverage while the vehicle was loaded with butane, contrary to local law.

Accident-Health Company

Accident-Health Company, in its current controversy with a number of Michigan hospitals, is loosed by George A. Le Blanc in the form of a letter to Robert E. Geoghegan, superintendent of Highland Park General Hospital and chairman of the Greater Detroit Hospital committee. Mr. Le Blanc is president of American Hospital-Medical Benefit and is chairman of the hospital insurance committee of the Detroit Accident & Health Association.

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Accidents Replace Disease as Prime Killer of Youth

Accidents have replaced any single infectious disease as the prime killer of children and youth after infancy. They take a yearly toll of almost 20,000 boys and girls under 20 years of age. This fact is revealed in a study, "Childhood Mortality from Accidents," by the Children's Bureau, U. S. Department of Labor. The study is the first to be made in which death rates for accidents are analyzed by age, sex, race, and by type of accident.

"Accidents are now the most frequent cause of death in childhood because doctors have been successful in cutting the toll formerly taken by disease though accidental deaths have declined little in the same period," Dr. George Wolff, who made the study, commented.

Death rates for accidents are highest during the first year of life, lower in the preschool and lowest in the elementary school age. They rise again in adolescence when young people go out to work. Although the death rate from accidents is higher for infants than for any other age group, infant death through accident is overshadowed by the much higher toll taken by premature birth and disease. Among children between one and four, accidents become one of the leading causes of death. In older age groups, with one exception—nonwhite adolescent girls—accidents are the chief cause of death. Smothering is the main cause of accidental death in infancy. By far the most important cause of accidental death in older children is automobile accidents. Drowning, burns, injuries by firearms, and injuries by fall follow in that order.

On the average, for every girl under 20 killed in an accident, two boys are killed. However, this two to one ratio is not constant for all age groups. In infancy and during the preschool-years, the accidental death rates for boys are only a little above those for girls, but in the white population between 10 and 19, more than three times as many boys are killed as girls. In the nonwhite population of the same ages, the ratio of boys killed to girls killed is over four to one. The population included in the nonwhite classification is predominantly Negro.

The ratio between the sexes also varies with the type of accident. More boys are killed than girls by automobile accidents, drowning, firearms, injury by fall, smothering in infancy and agricultural accidents. The only type of accident in which girls figure more frequently is accidental burns.

The varying environment between white and Negro groups is reflected in death rates for types of accidents. For example, automobile accidents are more frequent among white children of all ages. More Negro children are killed by food poisoning, fire and accidental burns.

Accidents lose their dominant position to disease as the leading cause of death among Negro girls between 15 and 19, the only class in which this is true above infancy.

Highway Mutual Offering Beauty Shop Coverage

Highway Mutual Casualty, Chicago, has secured approval by the Illinois insurance department of a new beauty shop liability form which it will make available in Illinois and Indiana to agents and brokers. This is a malpractice contract which protects against claims by patrons for burns, cuts, infections, and so forth, pays for any legal expense which the policyholder may be subjected to because of such claims, and may be sold on two different bases. One is a no audit, or fixed premium, policy which will especially interest beauty shop operators with stable staffs and non-fluctuating number of operators; the

other is an audit, or payroll form which is preferred by owners of shops in which the number of operators varies.

Highway Mutual presents both of these contracts as low cost coverages. The payroll form has a premium based on wages which are paid employees plus an allowance of \$2,000 per year in payroll for each active owner, partner or manager. For \$2,500/7,500 limits the rate is \$1.00 per \$100 of payroll with minimum premium of \$33; for \$5,000/15,000 limits the rate is \$1.25 per \$100 of payroll, the minimum premium being \$40.

The fixed premium or no audit policy

for \$2,500/7,500 limits issued to an owner with but one operator carries minimum premium of \$40, and each additional operator requires an extra premium of \$4.25. For the \$5,000/15,000 limits, the minimum premium for an owner with one operator is \$45 and each additional operator requires \$5 extra.

Combinations Are Possible

The contracts are identical with beauty shop liability and malpractice forms sold by other independent casualty companies writing this coverage in Illinois.

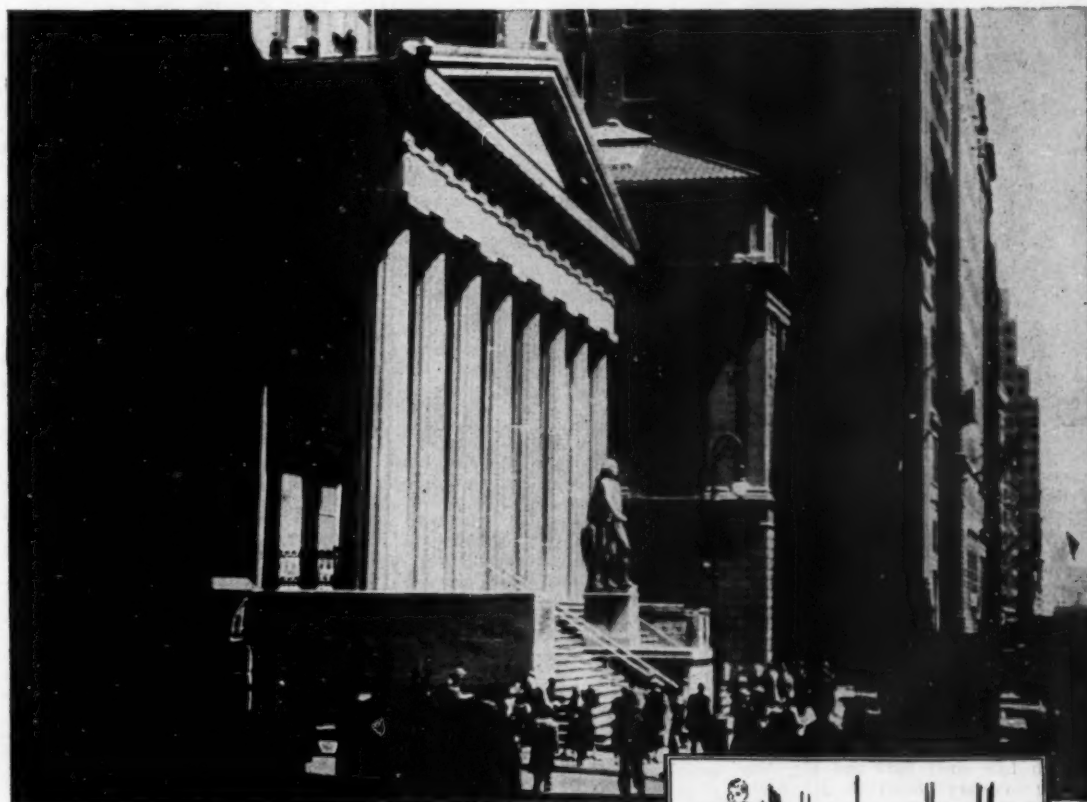
This policy will be written individually, and also in combination with O. L.

& T., or workmen's compensation, or both. If it is written with O. L. & T. covering insured's premises additional premium rate of \$5 per year is charged, and if in combination with compensation covering insured's employees, a minimum premium of \$14 is charged for the compensation coverage.

County Supervisor Before Club

William Cotton, chairman of the Polk county (Ia.) board of supervisors, spoke before the Des Moines Casualty & Surety Club on Polk county politics and insurance problems.

Serving the Leaders



Balancing industry's check book—without war contracts—is the sweeping readjustment miracle expected of our financial institutions. With the prospect of five to eight million unemployed during the reconversion period, all America is looking to the banking industry for speedy assistance in solving changeover problems.

In providing blanket bonds and other types of insurance protection to the leaders of this great prosperity building industry, we are "Serving the Leaders".

UNITED STATES GUARANTEE COMPANY

NEW YORK CITY

FIDELITY SURETY CASUALTY
Aviation Insurance through Associated Aviation Underwriters



Blunt, Nay Retire; Many Monarch Life Men Promoted

James W. Blunt has retired as vice-president, and Carlton E. Nay as secretary of Monarch Life and a number of new officers were elected and supervisory promotions made.

Succeeding Mr. Blunt and Mr. Nay as directors are Roswell C. Laub, vice-president and agency manager, and John H. Miller, vice-president and actuary.

Gurdon W. Gordon, Jr., recently returned from military service, is advanced from assistant secretary to secretary.

Clyde B. Gordon, recently returned from naval service, is now agency as-



JAMES W. BLUNT

sistant and manager of conservation. Previously he was agency secretary. Helen J. Berryman, who has been assistant agency secretary, is advanced to agency secretary. Gordon Grady is now supervisor of comptroller division. Previously he was assistant supervisor.

Horace B. Horton becomes middle-western field supervisor, Thomas M. Sharp, agency assistant, Fred H. Hennig, educational director, W. R. Christmas, assistant actuary and James S. Bulkley, associate counsel.

Blunt Former Commissioner

Mr. Blunt has been a vice-president of Monarch Life since 1929 and Mr. Nay has been secretary since 1926. Mr. Blunt at one time was insurance commissioner of Maine. He was the head of the agency operations for many years.

Gurdon Gordon, Jr., attended Wesleyan University. During the war he saw service in the European theater.

Clyde Gordon attended Brown University. In the navy he was a lieutenant serving as an anti-submarine officer in the Atlantic and Mediterranean. They are sons of Gurdon Gordon, vice-president and general counsel of Monarch Life.

Mrs. Berryman joined Monarch in 1936 as secretary to the Springfield general agent. She later became office manager and in 1942 was transferred to the home office agency department.

Mr. Christmas, a native of Montreal, graduated from McGill University in 1929. He has been with Sun Life of Canada. He is a fellow of the Actuarial Society of America and American Institute of Actuaries. He served in the Canadian navy during the war as a lieutenant commander.

Mr. Bulkley graduated from Yale and Harvard law school. He has been engaged in the practice of law at Springfield and for the past eight years has been associated in that practice with Gurdon Gordon, Sr.

Mr. Hennig, the new educational director, attended New York University school of commerce and had trust company and selling experience. He started

SS Change May Consist Only in Liberalizing Aid to State Programs

WASHINGTON—It looks as though House ways and means committee consideration of social security amendment may result chiefly in liberalizing federal contributions to state public assistance programs. Some committee members, very influential, indicate they are so disposed. After taking action along that line, they plan to begin consideration of tax revision legislation.

The tentative outline of committee action prospects follows an executive session of the committee at which members heard Comm. Leonard Calhoun, head of the committee's social security study group, summarize the report of his group to the committee, approximately 1,000 pages in length, which is now in process of printing. When printed the report will be taken up at ways and means committee meetings, and public hearings are expected.

Among other things, the report is said to suggest creation of a government actuarial bureau to deal with the numerous problems constantly arising in connection with legislation, presidential recommendation, and administrative action.

The Calhoun report is understood to be factual in character and to contain "no recommendations, as such." However, "conclusions" arrived at in the study are regarded as virtually tantamount to recommendations. Comm. Calhoun has said that purpose of his group was to paint a factual picture for the committee, pointing out what would happen or what should be done under various circumstances, with reference to OASI and other social security problems. While the group started out with a staff of two actuaries, besides Comm. Calhoun, later this was enlarged to include specialists on unemployment compensation and public assistance.

Pending further consideration of OASI problems, if the view of certain ways and means members prevails, federal grants for public assistance may be increased, in view of the rising cost of living. More time would thus be allowed to look over other social security matters, it is pointed out, with the possibility that the views of government departments and agencies concerned might be reconciled with respect to extension of OASI, etc.

The social security board is reported favorable towards liberalization of federal contributions to public assistance. The Wagner-Murray-Dingell over-all social security bill, which SSB officials view with favor, provides for such liberalization, not limited to the aged, but also extended to all needy persons regardless of age, and disabled persons, as well as dependent children and the blind as under present law. A basis of variable federal grants to the states is proposed under which the poorer states would not be required to match federal grants, dollar for dollar.

with Monarch as an agent at Hartford and since last September has been at the home office.

Mr. Horton, until recently, was at the head office of Continental Assurance and before that was agency organizer for the Gifford Vermillion agency of Mutual Life at Chicago. He graduated from Lake Forest College and has been in insurance work since 1927. His headquarters will be at his home at Harvey, Ill., and he will look after 15 offices in 11 states. This is a new position for Monarch Life.

Mr. Sharp graduated at University of Pennsylvania. He has had considerable insurance educational experience, having taught at New York University, University of Pennsylvania and University of Missouri. He was with Aetna Life.

Your questions answered in the **Fire, Casualty & Surety Bulletins**. Write F. C. & S. Bulletins, 420 E. 4th St., Cincinnati 2, Ohio.

F. & D. Men Monopolize St. Louis Offices

ST. LOUIS—The joint installation ceremonies of the Casualty & Insurance Underwriters Association and Surety Underwriters Association of St. Louis conducted in conjunction with a dinner, with Joseph F. Holland, vice-president of Manufacturers Bank & Trust Co., as toastmaster, had a distinct Fidelity & Deposit atmosphere.

Fred W. Doenges, F. & D. St. Louis manager, won the presidency of the Casualty & Insurance Underwriters Association, while George R. Schoen, assistant manager, was named president of Surety Underwriters Association.

Special guest was Roy L. Davis of Chicago, western manager of Association of Casualty & Surety Executives, who was in St. Louis for an address before the St. Louis insured members conference of the Associated Industries of Missouri.

Blair Receives Scroll

Howard A. Blair, Aetna Casualty, the retiring president of the Surety Association, was presented with scroll.

Other officers of the Surety Underwriters are: Vice-president, Harold Gee, Commercial Casualty; secretary, C. J. Crockett, Maryland Casualty, and members of the executive committee are: Mr. Blair, George Kaiser, Travelers; William A. Gray, National Surety; John L. Patterson, Massachusetts Bonding; and J. E. Auchley, U. S. F. & G.

Other officers for the Casualty Association are: Vice-president, Karl Nordyke, Travelers; secretary, Tom Baker, Utilities, and members executive committee: Eugene A. Luther, National Surety; Mr. Doenges, Mr. Nordyke, J. H. Belden, Fidelity & Casualty, C. W. McNeill, American Surety; C. W. Keefer, New Amsterdam Casualty, and Charles A. Henrich, Hartford Steam Boiler.

Bush, Davis Tell Mo. Buyers of Responsibility Laws

ST. LOUIS—Henry Bush, U. S. F. & G., in speaking on "Should Missouri Have a Financial Responsibility Law?" at a luncheon meeting of the St. Louis insured members conference of the Associated Industries of Missouri, said the insurers do not sponsor the enactment of financial responsibility laws since they might be unfairly accused of seeking to promote their own interests but it is a fact that an insurance policy is the most practical method for a motorist to qualify when called upon to prove to state authorities his ability to meet any demands.

Mr. Bush discussed the committee substitute for H. B. 317 now pending before the Missouri house.

Roy Davis Talks

Later Roy L. Davis of Chicago, western manager for Association of Casualty & Surety Executives went into a more detailed discussion of financial responsibility laws, their history and benefits, etc.

It was brought out in the talk that the principal difference between the new Illinois law and the pending Missouri measure is that the former makes the motorist responsible immediately upon the occurrence of an accident, regardless of who is to blame, while under the Missouri bill a showing of responsibility would not be required until there is a final judgment.

Mr. Bush said that while the Missouri bill, while not a model, is perhaps the strongest that could be passed at this session.

Bush and Davis answered questions as to how responsibility laws operate in various situations, such as an owner taking bankruptcy to defeat a claim, sale of cars after revocation of license, foreclosure of mortgages, employer insuring his employee, affect on interstate operation of salesmen, etc.

Publish New Standard on Method of Compiling Industrial Injury Rates

NEW YORK—The American Standards Association announces the completion of a new standard on the method of compiling industrial injury rates. This provides a practical basis for recording and measuring industrial injury experience. To the end that the resulting records may have a uniform experience basis covering the entire country, the provisions are independent of state and federal requirements for reporting injuries for workmen's compensation agencies.

Different sections of this new standard deal with classification of industrial injuries, their time charges and the measurement of exposure. Full particulars are given for the method of compilation of records. On such a basic agreement regarding terms, measures and definitions, records can be developed into sound statistics and used to serve as foundation for future safety codes in industry.

Provisions have been made for an interpretations committee, in order that uniform handling of questionable cases may be used.

Copies of the new standard may be obtained from American Standards Association, 70 East 45 street, New York 17, N. Y., for 25 cents.

Bill to Reduce Ticket Agents' Fees in N. J.

Held almost certain of passage by insurance interests, a measure has been introduced in the New Jersey legislature to reduce from \$10 to \$2 the insurance license fee which railroad ticket agents who handle travel insurance must pay each year.

Senator Barton, a member of the New Jersey Association of Insurance Agents, introduced the bill, which is designed to correct a discrepancy in the law. In New Jersey, \$8 of the \$10 license fee goes to cover the cost of an examination and ticket agents are not required by law to take the examinations. This causes much unfair expense to the insurance companies who pay the fees for the ticket agents.

Nebraska Assigned Risk Plan for Disabled Drivers

LINCOLN—A voluntary assigned risk plan for physically impaired motorists, will become effective in Nebraska April 1. Any disabled driver rejected for liability insurance by three companies may apply to a central committee. His policy will be assigned to a participating company, at rates ranging from 10% to 15% above the standard premium.

Convert Franchise to Group

LANSING—Several insurers whose operations under so-called wholesale or franchise A. & H. plans were outlawed by Commissioner Forbes' recent opinion to the effect that such programs are discriminatory under Michigan law, have filed master contracts indicating their intention of continuing such coverages in conformity with the group law.

Under the code all basic group policy forms must be filed with and approved by the department although the state has no rate control. Mr. Forbes said he has no information as to whether the policies carry the same premiums as the former franchise and wholesale plan policies. He said no one has indicated any disposition to contest the ruling.

Mr. Forbes cited the writing of wholesale or franchise plans to cover synthetic groups consisting of the residents of a single apartment house or the employees of a certain division or office of an industry, without employer participation. To allow reduced rates for such "groups," he maintained, is out of order.

Burglary Lines Are Very Active

Puzzling Questions Are Confronting Underwriters

Companies writing burglary business can not help but notice the increase in number of cases and higher values involved. Mysterious disappearance coverage has boosted the loss ratio many points. Anything in the way of merchandise can be sold to good advantage and hence there is a temptation to break in any place where goods or produce can be found. It is more difficult to trace crime.

Great wars always increase crime. Authorities were not surprised when robberies of all kinds blossomed forth.

The residence and outside theft policy with its broadened coverage is very attractive and is readily salable. Heretofore it has been difficult to interest business people or residents in the smaller cities which were generally free from robbery. Now, however, with a greater number of cases reaching down into territories that heretofore were immune there is a demand for the policy. A recent reduction in commercial burglary rates stimulated new interest and agents seeking cold canvass storekeepers burglary and robbery found immediate returns. Messenger and interior robbery, paymaster robbery, mercantile safe burglary, mercantile open stock is being offered and agents who are industrious and present the coverage as it is have no difficulty in getting sales.

It is now a question of just how long companies can stand the pressure. It may be necessary to take in the sails with regard to "mysterious disappearance." Many claim men find that this offers increased temptation and opportunity for deception. It is exceedingly difficult to prove that something was not taken or disappeared so long as values of various forms of produce and merchandise remain as high as they are. As there is so great a demand there will be a growing market for burglary insurance. Many companies are being called on to pay for cigarette losses. There is no form of merchandise or produce but what can be sold at once and at a good round price.

Miss. Governor Urges Casualty Rate Regulation

Gov. Bailey of Mississippi in his message to the legislature at its opening session, urged that a rate regulation measure for casualty insurance be enacted. Mississippi, he said, has been a free field for casualty insurance and this situation must be corrected or the state stands to lose any voice whatever in its regulation.

Commissioner White has completed a report for the legislature, at the request of the governor and legislature is asked to give serious consideration to it.

A joint meeting of the house and senate insurance committees subsequently was held and a five man subcommittee was named to work out proposed legislation to bring the laws into conformity with the S.E.U.A. decision and public law 15.

The Mississippi Association of Insurance Agents has retained Fred J. Lotterhos, Jackson attorney, to advise with the association on legislative matters.

The executive committee of the agents association has reaffirmed the association's position of favoring the filing of rates subject to subsequent disapproval.

Premium Refund Need Not Accompany Cancel Notice

Two decisions recently rendered by the Illinois appellate court, make clear that refund of unearned premium does

not have to be made with notice of cancellation of an automobile liability contract. One case decided by the first district was Parks vs. Lumbermens Mutual Casualty, the other, decided by the fourth district, was Leslie vs. Standard Accident.

In the Lumbermens Mutual case, the insurer had given Parks cancellation notice June 24 to become effective July 6, 1943. Parks was involved in an accident July 9, and L.M.C. refused to defend the suit against him. When notice of cancellation was sent there was due Parks \$3.65 unearned premium.

The cancellation provision in the policy is not ambiguous, the court held. It provides that the insurer may adjust the premium at the time of cancellation but shall do so as soon as practicable thereafter. The Chicago municipal court had given a decision against Lumbermens.

In the Standard Accident case, the insurer had mailed a cancellation notice July 23, 1942, the cancellation to become effective July 29. On Sept. 6, 1942, the assured's automobile was involved in an accident while being driven by an employee.

Leslie contended that return of the unearned premium was a condition precedent to the cancellation of the policy. However, the court held that the language of the clause makes the return of the unearned premium a consequence of cancellation instead of a condition precedent. The St. Clair county circuit court had held against Standard Accident.

Study Casualty Rate Bill for D. C.

WASHINGTON — Legislative proposals are reported to be under discussion to bring casualty rates generally in the District of Columbia under regulation. Such action is thought necessary in some quarters to conform to the Southeastern Underwriters Association decision.

At present in the casualty field only workmen's compensation and taxicab rates are subject to regulation by Superintendent Jordan.

If it be decided that other casualty regulation is necessary or even desirable, it is understood that the normal procedure would be for Mr. Jordan to recommend legislation to the D. C. corporation counsel, and he to the D. C. commissioners and they to Congress.

In the casualty field the District of Columbia is classed as an "open state." Jordan has no regulation of commissions, rates or other features, except as above indicated.

Social Security May Cost \$20 Billion Yearly

LOS ANGELES — Gerhard Hirschfeld of the National Research Council addressed the Los Angeles Accident & Health Managers Club on social security, saying that as outlined it would cost from \$15 to \$20 billion per year and it is a question where the money would come from to meet the cost.

W. K. Smith, Pacific Employers, was nominated for president; Ray G. Scofield, Massachusetts Bonding, for vice-president, and Melvin Randall, Occidental Life of California, for secretary-treasurer. The election and installation of officers will take place at the February meeting.

Train New Agents

The Philadelphia branch office of Mutual Benefit Health & Accident and United Benefit Life has just concluded a sales training class for 20 new agents, conducted by Lou Staude, assistant manager. All but three of the students are returned veterans. Those from this group who make good records will be sent to one of the two-week health and accident courses at Purdue University after they have had some seasoning in the field.

Striving with
every facility for
the opportunity to
serve risks properly,
through agents and
brokers exclusively.

Pennsylvania Casualty
Company
A multi-line stock company
Baltimore

ACCIDENT AND HEALTH

Ream Nat'l Protective Head: Smothers Joins Company

KANSAS CITY—Ross J. Ream, one of the founders of National Protective has been elected president, succeeding Robert A. Ridgway.

G. T. Smothers, for the last 14 years an official of Central Surety of Kansas City, was elected vice-president. He was vice-president and secretary of Central Surety.

Mr. Ream has been secretary-treasurer of National Protective since its organization in 1926. M. M. Walker replaces Mr. Ream in that position.

Harry M. Polley and G. L. Ream were reelected first vice-president and controller, respectively.

Mr. Ridgway started with Travelers in 1905 at Indianapolis. He later served as division manager for Federal Life at Kansas City 15 years and in 1926 he and Mr. Ream organized National Protective.

Roberts Security L. & A. Assistant Agency Chief

Security Life & Accident has appointed Ross F. Roberts assistant superintendent of agencies. Mr. Roberts has been in the field 18 years, writing business and developing men. For the past ten years he has been general agent in Pittsburgh of Loyal Protective Life and is a past president of the Pittsburgh Accident & Health Underwriters Association. He will devote considerable time to the west coast.

Hold Agency Meetings as A. & H. Convention Adjuncts

A number of companies had sales meetings or dinners for their agents in Wichita in connection with the meeting of the National Association of Accident & Health Underwriters. Business Men's Assurance had nearly 100 agents, a number of them accompanied by their wives, at its dinner. The managers in attendance

were called on to introduce their agents. John W. Sayler, director of sales, was master of ceremonies and brief talks were made by President J. C. Higdon, Managers Walter M. Jones, Salt Lake City; A. W. Hogue of Dallas and R. J. Costigan of Kansas City, president of the National association, and E. H. Mueller, executive secretary of N.A.A.H.U., who was a special guest. A luncheon was held Friday for those who were still on hand, followed by a sales session. Bert A. Hedges of Wichita, Kansas manager, also had an all-day meeting for his men.

Mutual Benefit Health & Accident and United Benefit Life held a luncheon, sales meeting and dinner Friday with 50 in attendance. The afternoon session was devoted primarily to a round table discussion, with S. C. Carroll, vice-president, and N. Murray Longworth, chief underwriter, from the home office and a number of the leading managers as participants.

Occidental Life held a luncheon, in charge of J. Logan Thayer, Wichita general agent. H. Smith Hagan, home office supervisor in Chicago, was the chief speaker.

Columbian National Life held a dinner with about 30 in attendance to honor the Levi B. Rymph agency of Wichita, which finished second in the President's Campaign. Christopher F. Lee, head of the accident and health department, represented the home office.

May Compromise Wisc. Medical Care Difficulties

MILWAUKEE—A method of dealing with the differences between the Wisconsin State Medical Society and the Medical Society of Milwaukee County over the state and county prepaid medical insurance plans has been worked out but has not as yet been made public, according to Dr. Lucius Hike, president of the county group.

The annual report of the surgical care committee of the county medical society

showed that administrative costs the second year of operation were 38% of the income, compared with 89% the first year. Surgical care itself took 44.6% of the income the past year, compared with 37.6%. Male subscribers received 23.8% benefits paid; female subscribers .9%; adult female dependents of subscribers 37.8%; children 35.2%, and other dependents 2.3%.

Newark A. & H. Men Oppose Hospital Plan Booths

NEWARK—At a mass meeting of the Accident & Health Underwriters Association of Newark it developed they considered it unfair competition to permit a certain hospital plan organization to have booths in banks and department stores in Newark for the purpose of soliciting business. One bank saw the point and requested the hospital booth be removed. It is anticipated other banks and department stores will follow.

Compulsory insurance was discussed as it exists in Rhode Island and New Zealand. It was reported three measures affecting compulsory health insurance soon would be introduced in the legislature.

It was suggested that a state-wide accident and health organization be formed, the membership to be composed of one representative from each insurance association in New Jersey, to consider problems affecting accident and health field and take necessary action.

Cal. A. & H. Association Meets in S. F. March 7

The California Association of Accident & Health Managers Clubs will hold its first convention for several years in San Francisco March 7.

Plans for a one-day sales congress, with accident and health men present from all Pacific Coast states, are being completed by the Accident & Health Managers Club of San Francisco. The cooperation of the Los Angeles organization has been assured and one of the largest meetings of its kind held in California is expected.

Cyrus C. Washburn, Pacific Coast manager of Preferred Accident, is chairman of the committee on program and arrangements. He is assisted by John H. Casenave, Hartford Accident; W. L. Hardy, West Coast Life; E. J. Miller, Massachusetts Bonding, and Ross Coker, Retail Credit Co.

Ohio State Life Names McClintock Secretary

T. T. McClintock, well known in the accident and health field and active in the Health & Accident Underwriters Conference ever since he joined Ohio State Life in 1938, has been elected secretary of that company to succeed Joseph K. Bye, who has retired after 31 years as secretary-treasurer.

Mr. McClintock, who is a graduate of the University of Iowa, entered insurance work in 1927 and held home office posts with Lincoln National Life

and Columbian National Life before joining Ohio State Life as manager of the accident department. In 1941 he was made supervisor of field service and three years later was named assistant agency director. Due to war conditions, promotions and the growth of the company, he also took over the duties of chief underwriter in 1944.

Joseph M. Downs has become treasurer of Ohio State; E. L. Morrison, comptroller, and I. M. McCampbell, actuary. All other officers remain the same.

McCarty South Bend Manager

E. E. McCarty, formerly of Indianapolis, has become divisional manager at South Bend, Ind., of Mutual Benefit Health & Accident and United Benefit Life, with headquarters in the Poledor building.

Open Indianapolis Building

Mutual Benefit Health & Accident and United Benefit Life held a three-day session opening their four-story Insurance Center building in Indianapolis. More than 100 agents and officials attended the final luncheon. The two companies will use the first and second floors. Vernon General occupies the fourth floor.

John McGurk is resident vice-president in Indianapolis.

Medical Plan in Indiana

INDIANAPOLIS—A non-profit mutual indemnity company to be known as Mutual Medical Insurance, Inc., which will offer medical and surgical coverage was approved by the house of delegates of the Indiana State Medical Association. The corporation will be financed by contributions totaling \$65,000 from physicians and others interested. This will include \$25,000 deposited with the Indiana department and \$40,000 for organizing and operating expenses. An additional \$25,000 will be required as advance payments before operation begins.

Dr. J. E. Ferrell of Fortville, association president, named 18 men, all doctors, as directors. The State Medical Association has been working on the plan for three years.

Atlas Expands A. & H. Field

W. M. West, manager of the new accident and health department of Atlas Life of Tulsa, which has established general offices at Oklahoma City, reports that it has recently added 10 states and is entering five more, to write all lines of accident and health including wholesale.

Monarch '45 Sales Set Record

Accident and health sales during 1945 of Monarch Life exceeded those of any previous year, President Clyde W. Young reports. The quarterly premiums of new paid for H. & A. business amounted to \$264,908 or 6.4% more than in 1944. Premiums on H. & A. policies in force Dec. 31 on a quarterly basis, totaled \$1,294,762, an increase of 11.7%. Loss ratio on an earned basis was 47.4%.

There was a substantial increase in claims during the last quarter of the year on account of respiratory infection. Most of these were of short duration.

Assets were \$14,562,628. Surplus to policyholders \$3,423,387, increase \$570,810. Actual market value of bonds exceeded book value by \$316,967.

Health and accident premium income in 1945 was \$5,035,433 as compared with \$4,508,899 the previous year.

Tells Wash. Code Proposals

R. D. Williams, special deputy insurance commissioner of Washington told the Seattle Accident & Health Managers Club that the department hopes to incorporate standardized minimum terminology for the various main clauses of accident and health policies in the new insurance code to be presented to the 1947 legislature. He said clarification of the provisions of

A Consistent Policy

An insurance company's service to agents can take no more useful form than writing their business, year in and year out. Some companies oscillate between extreme underwriting liberality and ultra-conservatism. In better times they seek new business aggressively; when profit margins dwindle, they restrict writings severely. Study the record of company premium writings in depression years as well as in 1945. Note how New Amsterdam has avoided drastic changes in policy.

New Amsterdam
CASUALTY COMPANY

BALTIMORE

NEW YORK

Announcing our new

SPECIAL SERVICE DIVISION . . .

. . . for Inland Marine audits and inspections, bond and burglary loss audits and hospital malpractice surveys. We protect our clients from every possible insurance and tax contingency. "Bargain" rates for such services may imply a lack of quality.

ATWELL VOGEL & STERLING, INC.

. . . have 24 years of experience in Casualty and Inland Marine Audit, Inspection and Engineering service.

Principal Offices: Main Office—60 John St., New York; 369 Pine St., San Francisco; Insurance Exchange Chicago; 15 other offices and 30 other headquarters cities maintained to give service through the entire country.

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accident and health policies will narrow this field of disagreement in event of loss and will ultimately result in vastly improved public relations for the industry. Mr. Williams discussed in detail many of the suggestions received by the department for the accident and health section of the code.

Chicago Party Feb. 7

The Chicago Accident & Health Association is holding its mid-year dinner and cocktail party, with special entertainment and open house, at the Electric Club Feb. 7.

Commercial Travelers Parleys

The executive committee of the International Federation of Commercial Travelers Insurance Organizations will have a meeting at the Edgewater Beach hotel, Chicago, Feb. 4. The annual convention is scheduled for Jasper National Park, British Columbia, July 29-31.

Delaware Insurers Merge

Union Benefit Society of Delaware has been merged into North American Mutual, which has assumed the hospitalization obligations and liabilities of the former.

Purdue March Class Filled

It was announced at the Wichita meeting of the National Association of Accident & Health Underwriters that the limit enrollment of 50 for the March accident and health course at Purdue University has been reached and that 20 have enrolled already for the June course. The December course also had a limit enrollment, with 17 states and 18 companies represented.

That class was divided into four sections, with Charles P. Cain, Denver, chairman of the group of agents with less than six months of field experience; Marie Berggren, Butte, Mont.,

chairman of "old agents," Lou Staude, Philadelphia, chairman of the general agents group, and J. J. Hinton, Burlington, N. C., chairman of the home office personnel.

National Bankers New Form

National Bankers Life of Dallas is issuing a new income and hospitalization policy. It provides \$150 per month while confined in hospital, with additional benefit for confining sickness in the home. It covers all sickness and all accident. Female disorders, pregnancy and childbirth are subject to the usual 10-month waiting period. The quarterly premium for males 17-70 and females 17-60 is \$8 for the first three months and \$6 thereafter. Physicians and surgical riders can be added at a premium of 50 cents per month.

Makes Changes in Branches

Beneficial Standard of Los Angeles has opened a branch office in Portland, Ore., with Harry R. Wright as manager.

Orville C. Thoe, branch manager at Spokane, Wash., has been transferred to Eugene, Ore., where he will be manager of a new branch office being opened there.

President E. D. Mitchell and Secretary-treasurer Oscar Pattiz are on a trip through the east and middle west, inspecting the company's offices in that territory.

COMPENSATION

Mo. Awards Contract for Compensation

Policies covering 2,347 maintenance and construction employees of the Missouri highway department and uniformed members of the Missouri highway patrol providing workmen's compensation protection have been placed with Thomas L. Farrington, vice-president of the Lawton-Byrne-Bruner agency of St. Louis, written in Hartford Accident. The annual premium, before possible credits for low accident experience, is approximately \$120,000 based on an estimated annual payroll of \$3,351,678. Missouri's new constitution authorizes provision for such insurance; there was no such authority under the old constitution, and this is the first time Missouri has secured such insurance on any employees.

Jerry Handley, Springfield insurance man, representing mutual insurance interests, has protested to Paul C. Jones, chairman Missouri highway commission, that the insurance was not granted to the lowest and best bidder. Handley submitted a proposal on behalf of the mutuals. It was stated 39 agencies representing mutuals as well as stock companies had submitted bids at the invitation of the highway commission.

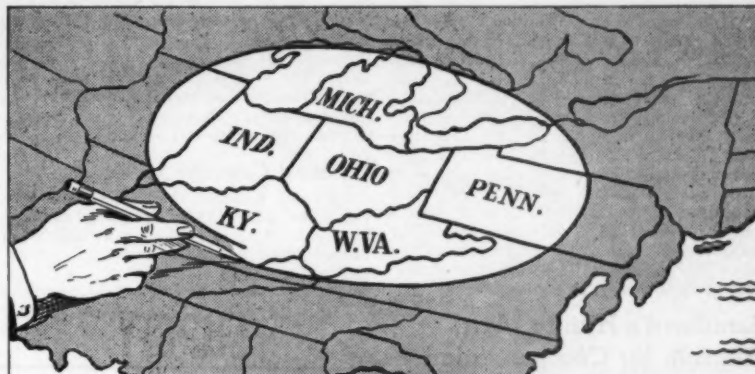
Mutuals' Contentions

Handley contended the mutuals through dividend payments of approximately 20% had lower rates than the stock companies and the business should have been awarded to a mutual.

Because of the peculiar nature of policies desired by the state and the lack of prior experience in Missouri for such coverage, it was necessary to provide special rates and forms. These were drawn up by a special committee which included L. F. Keegan, Missouri Compensation Rating Bureau; B. S. Stake, Mutual Insurers, and J. B. Sturges, Marsh & McLennan, all St. Louis.

All of the mutuals were eliminated from consideration by the commission shortly after it received the proposals Nov. 20, Jones said. He denied political consideration entered into awarding the insurance.

Chairman Jones and R. G. Barnett, chief counsel for the highway department, said they would have preferred




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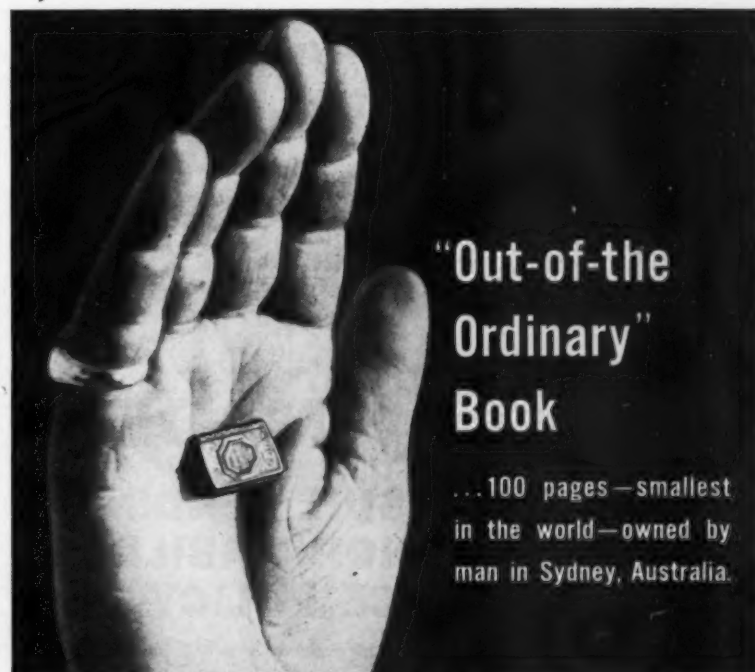
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establishment of a self-insurer plan for the department but the legislature made such a step impossible by striking provision for it from the bill which authorized the compensation insurance.

In placing the business the commission elected to have the retrospective plan A coverage, which provides premium refunds in event of a low loss ratio while placing a ceiling on maximum premium to be paid regardless of experience. Up to Jan. 25 only nine claims for compensation because of injuries had been placed under the insurance, according to department records.

Landlord's Handy Man Eligible for Compensation

Though the Illinois industrial commission has held for a number of years that any landlord who rents out a portion of his premises, no matter how small, becomes an employer liable for compensation to any man he may hire to work on the premises, several recent cases have startled insurance men.

In these cases, the employer has been the owner of a two-flat or other very small apartment building. The injured employee has been a part time handy man hired to work around the place.

The industrial commission has ruled that because the landlord rents a portion of his building, he is in business there and required by the workmen's compensation act to pay claims to any man he hires for any period of time who is injured on his premises.

In most such cases, the landlords have been totally unaware of their responsibilities.

Less Radical Va. Bill Filed

A bill has been introduced in the Virginia legislature to raise compensation from 55 to 60% of the average weekly wage, but not more than \$18 nor less than \$6 per week. It is designed to replace one introduced earlier for 65%, \$30 maximum and \$18 minimum.

The new bill is in accord with recom-

mendations of Governor Darden in his farewell message to the legislature and those of his successor, Governor Tuck. When the first bill came up for committee hearing, action was deferred, with the understanding that another bill less radical was to be introduced.

Carolina Casualty in Va.

Carolina Casualty of Burlington, N.C., has been admitted to Virginia to write accident and health and hospitalization, automobile lines and workmen's compensation.

SURETY

San Francisco Group Resumes

The Junior Surety Underwriters Association of San Francisco, which lost most of its members to the armed services in the war, is being reorganized and plans to resume its educational meetings for younger men in the business within another month. The reorganization committee consists of William McKeon, Fidelity & Deposit; Chester Ristenpart, Jr., Fireman's Fund Indemnity, and W. R. Ellis of Edward Brown & Sons.

Seattle Club Meets Feb. 8

The annual dinner of the Surety Underwriters Association of Seattle will be held Feb. 8. Arthur Eagle, American Bonding, will be succeeded as president by Werner W. Deitz, John A. Whalley & Co. G. L. Perry, Hartford Accident, perennial secretary, is expected to attend after long convalescence following a spinal fusion operation several months ago. He is almost fully recovered and able to walk.

Detroit Election in February

DETROIT—Douglas Jones, Aetna Casualty, president of the Surety Association of Michigan, has appointed a

nominating committee to prepare a slate for the annual election in February. George Bortz, Fidelity & Deposit, is chairman.

Argue American Surety Case

WASHINGTON—In No. 142, American Surety vs. Paul W. Sampsell, trustee in bankruptcy, the U. S. Supreme Court heard arguments Monday by Homer Cummings, former U. S. attorney general, for the company, and Martin Gendel, Los Angeles, for Sampsell.

Involved in this case said Cummings, is the question whether, in absence of any federal law, a federal bankruptcy court can, as a condition to allowing the general claim of a subrogated surety against a bankrupt principal, require the surety first to satisfy other general creditors who, prior to the bankruptcy proceedings, had failed to perfect and had, therefore, lost their potential claims against the surety under the pertinent state law. He contended this could not be done.

Gendel contended that a surety who has undertaken to pay a class of creditors of a bankrupt, as principal, cannot share in the bankrupt's estate tax by reason of any payment to some of the creditors, until all claims of the creditors of that particular class have been satisfied in full. He asked for affirmation of the circuit court's judgment.

PERSONALS

Stanwood L. Hanson, assistant vice-president of Liberty Mutual, has been named a member of the rehabilitation advisory council to the federal security agency, office of vocational rehabilitation. The council was set up to supply professional advice on policy and program operations.

M. W. Hobart, secretary of Ministers Life & Casualty Union, has been elected president of the Minnesota Council of Religious Education.

Alden C. Brett, president of Arrow Mutual Liability, has been elected a director of Boston Mutual Life.

Brig. Gen. George Olmsted, board chairman of Hawkeye Casualty, has been awarded the Distinguished Service medal by the U. S. government and another award by the British Empire for his work in China as assistant chief of staff to Gen. Albert Wedemeyer. He recently returned. The distinguished service medal was awarded for his work with the Chinese government in negotiating large-scale reciprocal agreements. Gen. Olmsted also originated the daring plan that sent unarmed rescue teams to 15 Jap prisoner of war camps and effected release of some 30,000 prisoners at the end of the war.

The presentations were made at ceremonies in the Pentagon building, Washington, D. C., with his son, George Jr., attending, and in the British embassy there. He also has been made a commander of the Order of the British Empire for distinguished service.

Philip P. Hardy is back as New Hampshire special agent for Merchants Mutual Casualty after four years in the army during which he rose to the rank of major.

Ray M. Beebe, 53, Denver manager of Trinity Universal, died there. He went to Denver from Des Moines in 1920.

Washington Assigned Risk Report

SEATTLE—The report of B. K. Campbell, manager of the Washington assigned risk plan, for 1945 shows 737 new filings made, 683 reassignments made and 73 assignments pending at the beginning of 1945. New assignments completed number 584 and reassignments complete total 664. Total assigned risks premiums for the year amounted to \$45,333.

COMPANIES

Continental Cas. Sets 3 New Highs

New all time highs in assets, surplus to policyholders and volume of business were recorded in 1945 by Continental Casualty.

Assets increased \$9,169,986 to a total of \$68,899,951. Capital remained at \$1 million while surplus was \$12,715,326, an increase of \$1,841,915. The contingency reserves were increased from \$3,900,000 to \$7,400,000 during the year.

The underwriting profit was \$1,827,156 and net investment income was \$1,292,517. Operating profit after federal income tax was \$2,349,673. Net premium writings were \$42,524,101, an increase of \$4,216,481 or more than 11%.

Aetna Casualty Results Shown

The assets of Aetna Casualty in the new annual statement are reported at \$116,234,095 as compared with \$106,044,756 the previous year. Premiums total \$48,735,545 which was an increase of about \$3 million. Underwriting profit was \$3,502,833. Federal income taxes were \$427,294.

Capital was doubled during the year and now stands at \$6 million. Premium reserve increased from \$23,431,557 to \$27,015,835. Net surplus at \$29,207,340 is about \$550,000 higher and contingency reserve was doubled and now amounts to \$7,600,000.

Accident and health premiums of Aetna Life amounted to \$37,446,219.

Capital to Be \$400,000

Republic Indemnity at 36 South Stone avenue, Tucson, Ariz., which was incorporated last September, is proceeding to increase its capital to \$400,000. At Jan.

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Mid-Western Department of old Eastern Casualty company wants young man to specialize in accident insurance while learning or having prior knowledge of casualty lines. Must have good education and ability to sell. Good starting salary. Address E-72, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED

Old established casualty company wants special agent for representation in Southern Michigan and Northern Indiana. Salary commensurate with experience and ability. Address E-73, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.



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the paid up capital was \$266,323. It has been licensed in Arizona but has not as yet started writing business. The president is Joseph Simpson; secretary, R. G. Horwitz; treasurer, Robert Kissel, and vice-presidents, Leo Rich, James Grant and Charles J. Miller. It has on deposit with the state treasurer \$100,000 in government bonds.

Aftermath of Boiler War Shows Up in '45 Statement

Hartford Steam Boiler in its new annual statement reports assets of \$25,301,447 which compares with \$26,204,285 at the end of the previous year.

Due to the violent fluctuation in premiums attributable to the boiler and machinery rate and cover wars of previous years, net premiums written were very much lower than in 1945 but premiums earned showed an increase. Most of the boiler business was rewritten in 1944 for a three year term when the rate level had reached a point that was regarded by almost everyone in the business as confiscatory. The premiums written in 1945 were \$3,664,406 as compared with \$7,302,451 in 1944. The premiums earned were \$7,107,311 as compared with \$6,355,658. The earned premiums were the highest in history.

Surplus to policyholders increased by \$2,390,440 and reached \$12,587,647 which was the highest in history.

Losses incurred at \$1,847,135 were \$555,121 or 23% lower. There was an underwriting gain of \$929,039.

Northwestern of Seattle Starts Active Operation

Northwestern of Seattle, newly-formed stock affiliate of Northwestern Life, has been licensed in Washington to write all types of motor vehicle covers, including direct damage as well as bodily injury and property damage.

To Increase Capital

Austin E. Case, president, said more than \$200,000 capital and \$100,000 surplus was paid in by the Northwestern company, holding company for both the carriers. It is planned to increase the capital to \$350,000 and surplus to \$140,000. It will operate on an agency basis.

George MacIntosh, formerly assistant secretary and chief statistician of Fireman's Fund, at the home office and since 1943 with the United Pacific home office, is vice-president and general manager.

Peerless Casualty Makes Gains

Assets of Peerless Casualty now stand at \$3,711,695, loss reserve is \$1,229,170, premium reserve \$704,398, capital \$750,000 and net surplus \$850,000.

Premiums written increased by \$100,000, assets were about \$200,000 higher and surplus was improved some \$50,000.

Newhouse & Sayre Broaden Aircraft Liability Form

Newhouse & Sayre and Employers group have broadened their aircraft liability policy for private flyers and industrial aid. Several of the new features in their contract include: "fly other plane" coverage for the named insured and wife, with no additional charge when the named insured is an individual; medical payments coverage including or excluding pilot; elimination of the pilot approval clause permitting operation of the aircraft by any person under CAA regulations; automatic coverage on newly acquired aircraft for 30 days; and coverage for bodily injury, and sickness and disease caused by accident. Several exclusions have been relaxed in order that pilots or owners may not unknowingly violate CAA regulations.

This follows in 10 days the Newhouse & Sayre special hull rating for the Ercoques. Rate was reduced because of the many safety factors in Ercoques design.

Platt Central Surety Secretary

KANSAS CITY—J. C. Platt was elected secretary of Central Surety Wednesday to succeed G. T. Smothers, who resigned to become an official of National Protective.

Mr. Platt has been assistant secretary in charge of the accounting department and has been with the organization 13 years.

Two recently returned servicemen were elected assistant secretaries. They are Earl Howe, who was in the army and with Central Surety has been in charge of agency accounting, and Leslie A. Stewart, a navy veteran. Since his return from the navy Mr. Stewart has been superintendent of the agency department. Prior to the war he was in charge of compensation and liability.

Jordan Returns as Claims Head of Comm. Standard

James W. Jordan has returned from army service and assumed his duties as manager of the claim department in the home office of Commercial Standard.

At the time of the Pearl Harbor attack, he was a reserve officer in the national guard and was called to active duty May 8, 1942 and commissioned direct in the regular army. He served in Missouri, Washington and California before going overseas where he participated in the Kiska, Kwajalein, Eniwetok, Leyte and the entire Okinawa campaigns. He was also a member of the Korean occupation forces until discharge, when he was a major in the engineer corps.

Mr. Jordan was associated with Commercial Standard for 12 years prior to entering the service.

Greathouse Quits as "Comp" Director of Texas Dept.

Gerald W. Greathouse, director of the workmen's compensation section of the Texas casualty insurance department has resigned. J. D. Wheeler succeeds him in that position.

Mr. Greathouse resigned to go with Texas Employers of Dallas. He was head of the compensation technical staff from 1940 to 1942 prior to his entrance into the army as first lieutenant. He is now a colonel.

Mr. Wheeler is a veteran of the first world war with a number of years of insurance experience. He has been deputy liquidator for the liquidation division of the board of insurance commissioners since 1940. Since 1923, he had been with the Massachusetts Bonding, Century Indemnity, Associated Indemnity, National Surety and Imperial Underwriters.

Four Veterans Return to Lumbermen's Mutual Cas.

Four men formerly with Lumbermen's Mutual Casualty at New York have returned from military service and have been assigned to positions within the eastern department.

Edson S. Lott, II, in charge of production for American Motorists, was a lieutenant commander in the Coast Guard. He served as captain of the port at Charleston, S. C., and commanding officer of the Coast Guard base there and later served in the supply department at Pearl Harbor and on the munitions detail of the third naval district.

Einar Sjöholm, a supply sergeant at the B-29 base on Saipan, has returned to the New York office as manager of the automobile fleet department.

John L. McKenna, an army lieutenant in France and Germany, has returned to

New York in charge of underwriting boiler and machinery insurance.

James M. Maccomb, who served in the European invasion and through France and Germany, has returned to the Philadelphia office in charge of automobile underwriting.

Blaine Platt, an artillery captain during the drive through Belgium and Germany, has returned to his position in charge of budgets and purchasing at Philadelphia.

R. G. Anderson to Loyalty Group

R. G. Anderson has joined Metropolitan Casualty and Commercial Casualty as Illinois state agent except for Cook county. For the past year and a half he has been assistant manager for Economy Auto at Oak Park, Ill. Previously for 10 years he was with Ocean Accident, part of the time in an underwriting capacity and for five years in the Illinois field.

West Ohio Cas. S. F. Manager

SAN FRANCISCO—Wayne C. West, for the past nine years field man for Phoenix Indemnity at San Francisco, has been appointed northern California manager of Ohio Casualty with Harry Giles, for the past two years with National Auto Casualty, associate manager succeeding Harry Wade, resigned. Mr. West started with Hartford Accident and later was with Globe Indemnity. He served a short time in the navy. Mr. Giles was in the army.

J. B. Rooney Now Secretary

NEWARK—John B. Rooney, who has just been advanced to secretary of Metropolitan Casualty and Commercial Casualty in charge of the Newark branch, entered the business in 1917 as office boy at the Newark branch of Commercial Casualty. He served in the New Jersey legislature in 1937. He is a member of the board of adjustments of Newark and a director of Hayes Savings & Loan Association.

Schrage Joins Huntington

David C. Schrage has been named vice-president of Huntington & Homer, Chicago A. & H. general agents for Standard Accident and Michigan Life.

Mr. Schrage has been A. & H. executive representative for Standard Accident for three years. Prior to this, he was three years with Continental Casualty as A. & H. special agent, agency supervisor and A. & H. manager of the Chicago branch. He first entered insurance as an agent for Travelers in Chicago and was with them for two years.

Henry J. Huntington, president, forecasts considerable expansion of his firm in the near future. Huntington & Homer have arranged hospitalization programs for several groups of professional men including the Chicago Dental Society.

Nutley Released from Army

After four years in the army, Lt. Col. Victor L. Nutley has returned as assistant secretary of Northwest Casualty.

Mr. Nutley heads the home office automobile and casualty underwriting department. He will also direct the safety, accident prevention and miscellaneous casualty inspection on programs of the company.

A veteran of both wars, Mr. Nutley served as port commander in Juneau, Alaska. In February, 1944, he was assigned to the joint staff of Admiral Nimitz at Pearl Harbor.

Francis M. Babson Retires

Francis M. Babson, bond department manager in the Boston office of Aetna Casualty, has retired. He has been with that office 34 years. He graduated from Harvard in 1897 and immediately went with John C. Paige & Co. In 1907 he

went with U.S.F.&G. and in 1912 was made manager of the bond department of Aetna. He will continue as an agent. He was at one time president of the Surety Underwriters Association of Massachusetts.

Fielding Back in Wash. Field

Darol V. Fielding has returned from army service and has taken up his former duties as special agent in western Washington of Fireman's Fund Indemnity and Western National Indemnity.

Enters Surety Field in Texas

Pacific Employers is now writing fidelity and surety lines in Texas. In charge of its bonding department is Hoyt R. Warren, supervising the south-west territory, with headquarters at Dallas.

Chamberlain Back at Cincinnati

Ralph Chamberlain, special agent of Fidelity & Deposit at Cincinnati, has returned to civilian status following service as a naval lieutenant on the Radford in the Pacific. He entered the navy in 1942.

Hayward at Boston for Travelers

Henry A. Hayward has been released from military service and appointed field assistant in casualty, fidelity and surety at Boston for Travelers.

Mr. Hayward served in the navy for over two years and was discharged with the rank of lieutenant.

Memering Named at Lafayette

Roger S. Memering, a returned veteran, has been appointed representative at Lafayette, Ind., by Illinois Mutual Casualty, after having completed a special course of study at Purdue University covering accident, sickness and hospital insurance.

W. W. Warner, son of E. H. Warner, secretary-treasurer of Merchants Mutual Bonding, has been discharged from the army as a major and has been elected assistant secretary of the company. He was in the army for 3½ years.

Booklet on Annual Reports Being Distributed

A 45-page booklet entitled "Some Ideas About Modern Annual Reports" has been prepared for the Association of Casualty & Surety Executives and distributed to member companies.

The booklet points out that its sole purpose is "to present the case for 'humanized' annual messages, to illustrate how others have made their reports more interesting to the public, and to suggest a few ideas..." It maintains that casualty and surety business, as much as any industry selling a tangible product, has an interesting story to tell. The suggestions are based upon a study of approximately 75 outstanding annual reports of industrial companies for 1944.

N. Y. Mutual Association Officers

New offices for the Association of New York State Mutual Casualty Companies are: President, Charles E. Morrison, vice-president and general manager Utilities Mutual; vice-president, E. A. Guest, Exchange Mutual Indemnity president. Member companies elected to the governing committee for terms expiring in 1949 are Butchers Mutual Casualty and Utilities Mutual.

Hold Va. Safety Conference

Aimed at the prevention of industrial accidents, a one-week safety conference for inspectors of the state department of labor an industry was held at Richmond, Va. J. W. Sandel, industrial safety engineer of the U. S. department of labor, conducted the conference. Commissioner Hall of Virginia, called the conference.

Seek to Change Commercial Car Classification Plan

NEW YORK—Classification of commercial motor vehicles into two groups based on gross weight of vehicle plus load instead of the present three classes based on rated load capacities and the raising of rates about 15% were considered at a meeting of members and New York state subscribers of the National Bureau of Casualty & Surety Underwriters this week. While New York state is the one immediately under consideration it is understood that the plan is to follow a similar program elsewhere if adopted here, but to use net load weight or vehicle only weight in those states in which such weights are the basis of registry.

The proposed 15% increase is regarded as very conservative in view of the experience. The reason for the proposed change from rated load capacity to gross weight is the proposal of manufacturers to do away with the load capacity basis. Also there has been much overloading of light and medium capacity trucks intentional and otherwise. Manufacturers in recent years have been building trucks so sturdily that it is a simple matter for a 1½ ton truck to carry a 3½ ton load and even as high as five tons for some types of hauling. Thus, not only have the insurers been receiving too low a premium on many trucks but they have been exposed in some cases to a greater hazard than if trucks of the proper capacity were being used. The extra hazard is due to the fact that while a light truck may be capable of carrying the overload it may lack the breaking power and the stability to resist overturning that a heavier truck would have.

The proposal is to make the dividing line at 19,500 pounds gross weight of vehicle and load. This will place nearly all of the trucks now classified as light and medium in the less than 19,500 pounds classification and only a few of the medium class would be in the group above that figure. Under the present classification light trucks are those up to 1½ tons rated load capacity, medium trucks are those up to 3½ tons, and heavy trucks are those having a rated load capacity greater than 3½ tons.

In states where the vehicle weight, unloaded, is the registration basis, the breaking point between the two classes would be 9,500 pounds, which would also be the case where the net load capacity is the registration basis. The trend among states is toward the gross weight of vehicle and load as the basis, however, and is generally regarded as the most sensible basis. Another point in the Bureau proposal is that regardless of weight, all tractors and all dual rear-axle trucks and certain other special types would be classed in the heavy group.

Increase in License Applicants

INDIANAPOLIS—At the Indiana department there is almost a daily increase of applicants for agency licenses. Commissioner Pearson believes this can be accounted for by the fact that many persons who have been dropped from war work jobs are seeking to enter the insurance business. Agents who were in the business before going into the armed services are not required to take a re-examination before resuming their agency connections. But agents who went into high pay war jobs are required to submit to an examination before they are relicensed.

A new agency has been incorporated at Tacoma, Wash., under the name of Williams & Severance. M. R. Severance has been in real estate and insurance since 1925, while J. J. Williams has been in the business since 1942.

Clair W. Langmaid has purchased the A. J. Eggleston agency, East Toledo, O.

Completed Operations and Products Liability Soon to Present Excellent Field

Agents should dissociate from their minds that only contractors need completed operations and products liability insurance, according to S. Blount Mason, Jr., vice-president compensation and liability department U. S. F. & G., in an article in the company publication, the Bulletin.

There will be shortly a very broad field for contractor's compensation and public liability, which will result in a similar opportunity for the completed operations and products liability. Mr. Mason pointed out there is no underwriting distinction between products liability and completed operations and products liability and that both lines should be very fertile, although unknown products that have not been tried out should be shunned.

He mentioned the case of a pharmaceutical house that had to broadcast a warning that a certain batch of their product contained foreign ingredients which caused nausea and vomiting and should not be used. Unexpected events of this nature occur most frequently on the newer products.

Loss of Turkey Eggs

In citing the need for completed operations or products liability coverage Mr. Mason mentioned a case in which an insured, an electrical contractor, installed electrical fans in a turkey incubator but in such a way that the fans operated clockwise instead of counter-clockwise, this resulting in the destruction of 17,000 turkey eggs. There was no coverage under the policy because the contract had been completed before any accident was claimed to have occurred. He cited several other cases, including that of a road construction job in which a claimant alleged that she was seriously injured when the car in which she was riding overturned due to a bump in the road. Before the accident the insured had constructed a drainage pipe across the road and had filled in dirt to take care of any sinking that might be anticipated. Another insured removed poles in a city and a month after the job had been completed, a plaintiff stepped into a hole left unfilled.

That not only contractors require this coverage was emphasized by cases such as that in which the oil was changed in a claimant's car and the intake cap placed on the radiator. After the claimant left the filling station the cap fell into the fan doing considerable damage. In another case an insured installed a liquified gas range. After the installation an explosion seriously injured the housewife.

Mr. Mason pointed out that this cover applies also to home owners, explaining that a survey showed that 97% carried fire insurance and 71% on contents, but 88% had no general personal liability insurance. Such a condition would seem to indicate that the man is carrying fire insurance but fails to realize that he is more apt to lose his house through the courts than from fire.

Wingar Resuming in Arizona

William J. Wingar has just been discharged from service in the army air corps and has rejoined the Fireman's Fund group. He is taking a refresher course at the home office prior to resuming his former position of special agent in Arizona. Before entering the service he had charge of the business in that state.

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Apportionment of Loss Issue Settled in Texas

An apportionment of loss that proved too difficult for the Texas court of civil appeals was involved in *Employers Casualty et al. vs. Hicks Rubber Company*. The other insurance company was *Traders & General*.

The Hicks company had a general liability policy in *Employers* with \$10,000/20,000 limits. *Traders* had a policy on trucks with \$20,000 as the single limit. The *Employers* premium was \$15.75 and the *Traders* \$1,817.50. The insured's truck was being unloaded at the door, tires being thrown across the sidewalk. One of the tires struck a pedestrian, who was injured and got a judgment of \$10,000. However, during the trial of the injured's case there was an opportunity to settle for \$3,000, which *Traders* declined. *Employers* then withdrew.

When the \$10,000 judgment was rendered *Traders* paid two-thirds, with its share of the expenses, and told the insured to look to *Employers* for the balance. *Employers* paid \$1,025, but declined to pay more than one-third of the \$3,000 for which the case could have been settled, and the insured brought suit for \$2,717.91 against both companies. In this case the insured got judgment for the amount due him, against both companies, but with directions that in execution the insured should proceed primarily against *Employers*, and against *Traders* only in case he was unable to collect from *Employers*. In other words, the holding was that the insured was in the clear and entitled to his full loss, inasmuch as the judgment was within the limits of either policy, but that *Employers* was liable for its whole third, notwithstanding that *Traders* had blocked an opportunity to settle for \$3,000.

On appeal the court was unable to make a decision, because the jury in the trial court had failed to answer a question submitted to it, whether *Traders* was reasonable or not in refusing to settle for \$3,000. The case was sent back for a retrial on that issue.

The court pointed out that neither company raised any question under the general rule that specific insurance is

Recruit School Teachers for Insurance Work

Some of the insurance companies have been employing school teachers for certain desks that are ordinarily occupied by men and that require some superior ability. Such companies are pleased with the results. They have found that certain school teachers are receptive to the idea of entering the business world when they are offered a salary as good or better than they have been getting and a job in which they can exercise judgment, that gives them an opportunity for human contact and where personality counts.

Such women have been particularly well suited to certain claim department positions, keeping in touch with doctors and claimants. It is found that in a good many phases of the work a conscientious and resourceful woman is more satisfactory than a man. The women are on the whole more punctilious about detail, they may be more persistent and are more consistently businesslike.

One manager who has had experience with women underwriters finds that they tackle each job in order and dispose of the work in a more systematic way than the men. He said that the men underwriters were inclined to select from the daily grist the easier cases, complete the work on them and then start shuffling the more difficult files, taking care of those in connection with which the broker was pressing for action. The girls on the other hand take them as they come and at least in that respect turn in a better performance.

NEWS BRIEFS

Ralph E. Blake, 50, Boston manager of Ocean Accident, collapsed in his office and died before reaching a hospital.

Howard P. Dunham, vice-president American Surety, and Mrs. Dunham gave one of their famous dinners to 100 guests at the Hampshire House in New York, Monday evening. After the dinner the entire party was taken to the Sonja Henie ice show.

Surety Fire of New Jersey has been licensed in New Jersey.

liable first, but both treated it as a problem in contribution.

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Agents in National A. & H. Association Voice Desires

(CONTINUED FROM PAGE 17)

Missouri, Oklahoma and other nearby states. It reflected the active work which has been carried on this year by R. J. Costigan, Business Men's Assurance, Kansas City, national president, and E. H. Mueller of Milwaukee, managing director and acting executive secretary.

A series of constitutional amendments embodying the new financial setup recommended by the executive board was adopted. Dues of individual members are advanced from \$2 to \$3 and company members. It was pointed out the companies will not be subjected hereafter to solicitations for advertisements in convention programs. A new class of sustaining members also was established. The plan is to get 100 men who will agree to pay \$50 a year in this class. They can withdraw at any time. The executive board also decided to continue for the present the voluntary subscription plan under which \$11,000 in cash was raised and five-year subscriptions for a like amount were secured by the planning committee, headed by "Count" Mueller.

Drive Against W-M-D Bill

Plans for a synchronized campaign all over the country to present the undesirable features of the Wagner-Murray-Dingell bill from the standpoint of the average taxpayer were launched. The executive board designated Christopher F. Lee, Columbian National Life, Boston, as chairman of a committee which will prepare a simple, non-technical statement along that line which can be used as a speech to be given before service clubs, women's organizations, labor unions and business groups.

Mr. Lee will confer with the Insurance Economics Society to secure data on the economic side and with the American Medical Association as to the effect on the medical profession. All local associations will be asked to take the matter up at the same time, probably at their March meetings, and arrange for members to carry the message on to the various groups indicated in their own communities.

A resolution, strongly worded but dignified in its tone, in opposition to the W-M-D bill, was adopted by the national council and is to be sent to members of Congress, newspapers and others.

Minneapolis extended an invitation for the 1947 annual meeting. There was some talk of Florida for the meeting next winter and Boston the following summer.

The principal subjects discussed at the agents' session were the desirability of more training for new agents, with some financial allowance for the agent during the training period; group insurance and either pension plans or social security for agents; a vested interest in renewals, more recognition of the producer in company advertising; a broadening of coverage so that buyers will get more for their money and possibly a policy form which will make possible an extension of coverage to the lower income classes, now generally neglected.

The keynote of the discussion was sounded by David H. Stein of Denver, later named chairman of the drafting committee. He advocated the creation of an accident and health institute, along the line of the Institute of Life Insurance, which would do the same sort of work in improving public relations and building prestige for accident and health men as the older organization has for life insurance.

Selection and Training

He said that companies and managers have failed not only to assume full responsibility to the buying public but

also have neglected the welfare of the agent. He declared that the agent has the right to be protected under group insurance. In most cases home office employes have such protection, but not the agents. Stress is laid on the added prestige which the buyer of group insurance can secure, but when an employer whom he was trying to sell group insurance recently asked him if he had such protection, he had to admit that he did not.

Pensions, Vested Interest Sought

Agents should be given some form of pension on a contributory basis, he said, or should be included under social security; also, that they have a right to expect a contract entitling them to a vested interest in renewals in event of termination of employment or death.

He stressed also the importance of careful selection and adequate training of new agents. He urged in that connection that there be some training in underwriting and selection of risks as well as in sales technique.

The discussion following his talk was centered largely on the training angle. The consensus seemed to be that there should be a 30-day training period, with an allowance to the agent taking the course. The point was made that if the companies are making an investment in their new agents along training lines, they will be more selective.

In connection with Mr. Stein's suggestion of an accident and health institute, high praise was given to the way in which the advertising promoted by the Institute of Life Insurance has stressed the agent's work and helped build his prestige. As one speaker expressed it, the accident-health agents want their companies to "let people know we're here, and move us over on Main street."

Jack Morris, advertising manager of Business Men's Assurance, who was sitting in at the session, suggested that if there was any criticism of a certain "ad" the agent should write the man who prepared it, but if there is one he likes, he should write some of the higher-ups, which would mean that there would be more advertising of that type.

One of the points stressed especially in the discussion of policy forms was that the companies should make an effort to take care of impaired or substandard risks, especially in the case of returning veterans. It was contended that the companies are "backing off" from these risks, especially nervous cases; that these people are pleading with the companies to "let me in" and are perfectly willing to pay more for the protection.

There was considerable discussion of whether there should be an effort to meet the competition of the Blue Cross on a cost basis, with some division of opinion on that point.

Leading Producers' Proposals

Recommendations for raising the qualification requirements for membership in the Leading Producers Round Table and setting up the organization on a self-sustaining basis were adopted at its breakfast session. The details are to be worked out by a committee headed by Bert A. Hedges, Business Men's Assurance, Wichita, and taken up for final action at the annual meeting in Denver.

The suggested minimum for qualification of agents is \$5,000 of new annual premiums. The dues would be set at \$3 for the first year for new members and \$1 thereafter.

C. B. Stumpf, Illinois Mutual Casualty, Madison, Wis., Round Table chairman, reported that it now has 292 members.

Women's Division Luncheon

The women's division held a luncheon the first day, with 28 women from 10 states in attendance. Margaret E. Olson, North American Life & Casualty, Minneapolis, was in charge. Brief talks were made by Gladys Atherton, North American L. & C., Minneapolis, secretary, on the results achieved the past

year; Marie Berggren, Mutual Benefit Health & Accident, Butte, Mont., treasurer, on the Purdue course, the last session of which she attended; Myrtle Quinn, Continental Mutual Health & Accident, Denver, who urged attendance at the Denver convention in June, and Florence Biggs, Business Men's Assurance, Portland, Ore.

The banquet speaker, Jeff Williams, Chickasha, Okla., attorney who is well known as an after-dinner speaker, made a decided hit both because of the economic soundness of the ideas which he presented and the salty humor with which they were so plentifully interlarded.

Remedies for Abuses Suggested

While declaring that the practices of certain companies and their agents are putting the accident and health business as a whole on the spot, as evidenced by the attention given to the matter by the insurance commissioners, the state legislatures and congress, J. H. Garneau, assistant superintendent of the personal accident department of Hartford Accident, in his talk on "Regulating Our Own Business" suggested that there are some things that the agents themselves can do to improve this condition.

He referred especially to the fact that the commissioners are criticizing severely the practices of some companies and their representatives, and told of a survey he made of complaints received by three representative insurance departments, citing a few of the most flagrant cases. He said the departments can't tell the companies to pay claims, and the case usually goes to court, resulting in increased cost to the companies and, much worse for the business, in adverse publicity.

Don't Mention Restrictions

One reason for these complaints, he said, is that some companies omit mention of restrictions in their advertising and circulars. Another is switching health insurance without notifying the policyholder that pre-existing conditions are not covered under the new contract. This may not be deliberate, he said, but the effect is just as bad.

The chief cause of complaint, according to the commissioners, is misrepresentation, either deliberate or uncon-

Personal Touch

Many auto clients are driven to cheaper insurance because the agent has trusted to luck that they would renew their business automatically.

There are a number of clients who will not take the rate increase in their stride. For this reason, unless the agent gets in touch with each client personally or by telephone to break the news of the higher rates, the agent is almost certain to lose a larger than normal percentage of his automobile business.

If properly handled, these personal interviews can be made productive of additional premium. They offer the opportunity to suggest medical payments or higher limits or to suggest a comprehensive personal liability or a residence and outside theft policy.

The increase in the rates for automobile insurance should result in a material increase in the agent's income from the automobile line providing the agent is willing to put forth the extra effort needed to pocket the extra commissions.

Increase in Values Brought Close Home

One agent recites a case involving the skyrocketing of values that comes to his immediate notice. His wife's parents were living in an apartment which they had to give up. It was deemed wise, therefore, to have an apartment built on top of the agent's garage. The father was an old time contractor

and builder. He estimated that such living quarters as he and his wife desired would cost about \$2,000 without the plumbing. Therefore he estimated that the total cost would be \$2,500.

When an actual estimate was secured from a modern contractor it was found that the cost would be \$7,200. The agent therefore got busy and studied the situation of all his assured, getting revised estimates. Agents have found that their policyholders have been caught and have had to pay out considerable money of their own above the amount of insurance in order to get repairs made and property replaced. It is a very important condition of which agents need to take cognizance and get their assured on a solid foundation. With inflation in the air and materializing at many different points the question of values becomes even more critical. Often it is impossible to make replacements.

scious. If the latter, he said, it can be corrected. It is usually the result of the agent's lack of knowledge of what he is selling. This happens most often, Mr. Garneau asserted, with companies that write accident and health only as a sideline or those which do not care how they increase their volume, just so that they show an increase.

Lucky to Get Limited Policy

Deliberate misrepresentation, which he said can never be defended or condoned, may be negative or positive, either glossing over the restrictions or sheer falsehood about coverage or competing companies. As an instance, he cited the fact that in many states a limited policy is required to be so stamped on the face, and told of one agent who told a prospect this meant that it was issued only to a limited number and that he was lucky to be one of the select few.

The remedies Mr. Garneau suggested were: See that before an agent goes out, he is well trained. If you don't know the answer, admit it. Don't bluff and possibly give an incorrect answer which may cause trouble later. Get the full history in the application. Don't be so greedy for business.

He stressed that he was not blaming all companies or agents, but said that in making an omelet, if 11 eggs are good and one bad, it will make an awful stink.

N.A.A.H.U. PERSONALITIES

Clarence A. Sholl, Globe Casualty, Columbus, O., immediate past president of the National association, who was not given the usual recognition on retiring from office because of the fact that only a skeleton annual meeting was held last year, was presented a scroll testifying to the association's appreciation of his work.

In making the presentation, E. H. Mueller, managing director of the National association, recalled that it was during Mr. Sholl's administration that the Purdue course was established and the managers' and women's divisions of the association launched.

In view of the fact that he recently became a grandfather and the advanced age which that was supposed to indicate, Mr. Sholl also was presented a cane.

George L. Dyer, Jr., of St. Louis, former National association president, who has just returned from three years' service in the army, the last eight months on Iwo Jima, was given an enthusiastic welcome home.

Margaret E. Olson, North American Life & Casualty, Minneapolis, chairman of the women's division, was taken ill the evening after the first day's convention sessions and was forced to return home that night.

C. Truman Redfield, Mutual Benefit Health & Accident, Chicago, one of the convention speakers, was being congratulated on entering the grandfather class. He received a telegram during the meeting announcing that his son and agency assistant, Duane Redfield, had become the father of a baby boy.

Give All Chance to Write at Mutuals' Net Rate, Stone Asks

(CONTINUED FROM PAGE 17)

kind of approval whatever of the participating carrier's dividend?" The participating insurer has a free hand, for, after charging the approved initial rate, it may pay whatever dividend it pleases, without approval of any source. "What could be more unfair?" he asked.

Mr. Stone assailed the deviation provision in the commissioner's bill. The commissioner, he said, under that bill must find the deviation "justified," but the grounds or reasons for justification are not specified.

Deviation Situation in N. Y.

Mr. Stone remarked upon the deviation situation in New York. Certain deviations have been approved there but only on the theory that the company has been able to demonstrate that it had a lower expense ratio than the average. Mr. Stone said this does not give free play to the idea of a free competitive economy. The deviating company may have a lower expense ratio because less liberal in treatment of its employees or producers and he asked: "Should a premium be put upon niggardliness of management?" A company with a higher expense ratio that is financially sound should not be deprived of furnishing a wider field of choice to the public. If the insurer loses money through use of the deviated rate the public will not lose.

Mr. Stone said one company recently has earmarked a substantial sum out of its surplus funds to experiment in a new field of insurance. This is to the benefit of the public.

There should at least be a clear amendment to the commissioner's bill that a deviation may be justified on the ground that the public will not suffer from its being used by the perfectly solvent company.

Should Give All a Chance

Also Mr. Stone said there should be an amendment providing that the commissioner shall, upon the request of a solvent insurer, approve for it any rate he has approved as not excessive, not inadequate, not unfairly discriminatory and not otherwise unreasonable for any other insurer and if the other insurer be a participating company at its net rate. Or at the net rate that would be obtained in the light of the participating insurers average dividend for the past three years.

The public is entitled to a wide field of choice as to its insurance.

Mr. Stone characterized as a "strange anomaly" the fact that the commissioners' bill nowhere suggests the approval or disapproval of the dividends of the participating insurer. If the independent insurers wanted to do ahead of time what the participating company really does it could not do so. It could not charge a rate that would equal the participating company's gross rate minus dividend.

Mr. Stone went on to say that prior approval has never been required in the field of investments. The subsequent disapproval theory is followed there, because the commissioner may disallow as an admitted asset unqualified investments.

"If prior approval be not required as to investments," he asked, "is it necessary as to rates?"

Many By-products for Agent in the Group Field

(CONTINUED FROM PAGE 15)

as a prospective agent, he said the serviceman has a unique opportunity, in that he can select his life's work, with the maturity beyond his years that

war brought, and agency heads should help him make the most of it.

In regard to the "training on the job" provisions of the G.I. bill of rights, he said the matter was first brought to his attention when one of two young servicemen that had been taken on by his Allentown supervisor called at his office to ask Mr. Walker to approve his getting \$75 a month from the government. He had already been in touch with the Veterans Administration office in regard to it. Mr. Walker inquired how much work or responsibility would be involved on his part, stating that he was rather fed up on government reports and also understood that an organized academic training program was needed to qualify.

Procedure Is Simple

The applicant said he had been told that the usual introductory supervision would suffice and that the only thing required was to put the office on record at the Veterans Administration as being willing to consider the employment and training of veterans. This was confirmed later by a V.A. representative, who made the whole thing sound even simpler, Mr. Walker said.

He said that under this plan both the manager and the agent have a better chance for his successful introduction into the business, as it bridges that first critical year or two.

He warned, however, against any slackening of selection in that connection and said that otherwise the result will be to help a lot of men who are only interested in qualifying for this benefit.

Expenses Go Up, Income Down

Frank R. Philpott, Columbian National Life, St. Louis, gave illustrations of how expenses increase and income decreases when sick or hurt, and said there are only three ways to solve such a situation. One is to have sufficient savings to take care of the increased expenses, another is to go into debt, and another is to have an additional or replacement income coming in. Today a man has a choice of all three but if he does not make provision, then he may choose from only two, savings or debt.

Paying accident expenses out of accumulation or income increases the cost, because these dollars have been taxed, whereas if this expense is paid from accident reimbursement, it is being paid from tax-free dollars. For instance, a man earning \$6,000 a year has to earn \$1.49 to net \$1. If he has \$1,000 expense as a result of an accident, he has to earn \$1,490 to pay off the \$1,000, whereas if it comes in from an insurance company, it is tax free and he only has to have the \$1,000.

Gives Graphic Illustrations

Mr. Philpott is a whirlwind speaker, with a flood of graphic sales ideas, all of which he illustrated on the blackboard. He suggested that if a man should say to a friend who had had a serious accident or illness in his family: "Here is the key to my safe deposit box. There is \$1,000 there that you can use to pay these expenses, if you will just pay the rent on the deposit box," the recipient would feel that a rental of say 2% would be a very low price for such a favor, but that is about what a \$1,000 reimbursement policy would cost him.

Another illustration which made quite a hit was that of the three kitchen tables, one with nothing on it, one with \$15 worth of groceries and one with \$14 worth. If a man should ask his wife which she would pick to supply the family for the week, she would naturally take the \$15 assortment. If she had to get along with the \$14 worth, that would be a slight sacrifice, but if she didn't, the only choice, in case of his disability, might be the one with nothing at all, which certainly would be a much greater sacrifice.

The sales congress was concluded with a "stump the experts" feature. A panel headed by C. B. Stumpf, Illinois Mutual Casualty, Madison, Wis., as master of ceremonies and including Carl

U.S.F.&G. Is Now at the Half Century Mark

(CONTINUED FROM PAGE 18)

following night the entire staff, headed by the president, worked frantically to get those same records out of the building, as the great Baltimore fire roared towards it, destroying practically the entire business district. Immediately the company had set up shop in an old church building.

Clashes and Conflicts

John R. Bland was daring in going after business and he did not take kindly to restraint. His company in the early days had many controversies with insurance commissioners and when time brought acquisition cost regulation he battled for the right to pay his agents rates of commissions to which he thought they were entitled.

Competition was particularly savage in the era before 1908 and a monumental feud was carried on between Mr. Bland and William B. Joyce, head of National Surety, over a period of years and ending in a reconciliation a few years before John R. Bland's death in 1923.

Having gained a top position in the surety business, in 1910 it entered the casualty field. It was a propitious time, for the increased use of the automobile and compensation enactments were about to lift casualty insurance from the role of sideline to a branch of the first rank.

On its 25th anniversary in 1921, John R. Bland proclaimed U. S. F. & G. the largest surety-casualty company in the world.

Developed Affiliates

In 1923 U. S. F. & G. acquired Metropolitan Casualty as, in an earlier day, it had the old Lawyers Surety. But Metropolitan was sold at a profit the following year, after it was decided not to use it as a running mate. In 1928 Fidelity & Guaranty Fire was established and is operated today as an affiliate as is Fidelity of Canada.

In the depression of the 1930's, U. S. F. & G. had a hard struggle. Losses on its mortgage bonds, added to the difficulties in all other lines, proved very costly. Its resources were tried to the utmost but the comeback was remarkable. It soon regained its position as a leading casualty-surety company.

Among U. S. F. & G. men who left their mark on the casualty-surety business in the early days included J. Kemp Bartlett, vice-president and general counsel; Charles O. Scull, chairman until his death in 1927; George R. Callis, secretary-treasurer; Richard D. Lang, who was head of the claims department, and Charles G. Whyte, head of the agency department. Mr. Bartlett is the only one of the pioneers living, and he retired from active service several years ago.

In addition to Mr. Davis and Mr. Bland, officers today are: E. W. Levering, Jr., Joseph F. Matthai, Charles L. Phillips, executive vice-presidents; C. J. Fitzpatrick, secretary; G. Porter Houston, treasurer.

Loses Round in Fla. Tax Fight

Prudential has lost the suit it brought against Florida in the state court to recover premium taxes paid under protest on 1944 business on the ground that the tax interferes with interstate commerce. Prudential expects to appeal. The Florida law has been amended to remove some of the features regarded as being possibly unconstitutional.

Ernst, North American Life & Casualty, Milwaukee; David H. Stein, Pacific Mutual Life, Denver; Gilbert H. Knight, Federal Life & Casualty, Cleveland, and Walter M. Jones, Business Men's Assurance, Salt Lake City, was supposed to answer queries previously deposited in a question box, but there were very few questions submitted and they did not have much scope for demonstrating their talents.

Western Adjustment '45 Loss Record Tells Sad Story

(CONTINUED FROM PAGE 2)

of materials extended the period of suspension in a number of cases. Although priorities have been lifted, Mr. Sellery expressed the belief that shortage of basic materials, particularly builder's supplies, will remain the controlling factor.

Coinurance penalties were about as in 1944. Neither assured nor agents, he said, seem to have as yet fully appreciated the increase in values.

Delays Are Encountered

Due to the fact that the accounting divisions of assured are so occupied, they are not able to get around promptly to taking up pending losses and frequently ordinary losses take months to adjust.

Mr. Sellery remarked that total theft losses have been rampant since rationing was repealed and collision losses are "really bad." Present day adjustments are complicated by the necessity of eliminating accumulative damage and items due to wear and tear.

In the inland marine department special handling was required in connection with claims under cargo policies involving loss on shipments of merchandise either belonging to the government or manufactured for the government. In order to determine the value and loss there had to be a detailed study of the contract of the manufacturer, sometimes a detailed analysis of cancellation agreements and operations and termination claims.

Also there was considerable trouble with bailee's losses under the terms of the temporary agreement that was in force during the year. He expressed the hope that the declaration of guiding principles relating to overlapping coverages in adjustments of this type of loss will be simplified. During 1945 a department was created specializing in yacht, hull and wet marine cargo business.

Insurance Can Meet Goods Competition

The insurance industry now faces increasingly tough competition for the consumers' dollars from the manufacturers of many war scarce wares. However, the insurance sales possibilities are great and the aggressive salesman should have no cause for concern, writes F. H. Morasch, manager eastern department of Fireman's Fund, in the company's house organ.

Most potent sales arguments are the increased insurance values on physical property, according to Mr. Morasch. The surface has not been scratched on proper insurance to value on buildings, machinery and equipment.

Home furnishings, contents of mercantile and manufacturing properties also have increased values. Current replacements and future purchases make this important.

The agent should stress need for additional forms of protection, including that provided by the extended cover endorsement which should be added to private and commercial risks, rental value, use and occupancy, profits coverage on warehouse stocks, leasehold protection, demolition coverage where required by law, sprinkler leakage, and proper and complete coverage on new automobiles and numerous forms involving third party claims.

The agent should employ three logical steps in his sales approaches, stressing essential form first, then additional or secondary forms and finally remaining or luxury coverages.

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INSURANCE NEWS BY SECTIONS

MIDDLE WESTERN STATES

Gessing Succeeds Scanlon in Missouri and Kansas

William J. Gessing, Jr., has been appointed resident manager of THE NATIONAL UNDERWRITER with headquarters at 605 Columbia Bank building, Kansas City, Mo., telephone Victor 9157. Mr. Gessing will supervise the business activities of THE NATIONAL UNDERWRITER in Missouri and Kansas, succeeding in that capacity William A. Scanlon, who was recently made vice-president of THE NATIONAL UNDERWRITER at Boston.

Mr. Gessing is a graduate of Xavier University in Cincinnati and spent a year with the army, stationed at Camp Phillips in Kansas. Upon returning to civilian life Mr. Gessing joined THE NATIONAL UNDERWRITER at its Cincinnati office, where for two years he familiarized himself with the operations of the company in its various departments. In this way he has acquired an understanding of the publications of THE NATIONAL UNDERWRITER and is, as a consequence, well qualified for the position he has assumed.

New Department of Revenue in Mo. Approved by House

JEFFERSON CITY, MO.—The senate by a unanimous vote passed a bill creating a separate department of revenue for collection of all state taxes, licenses and fees, which is expected to receive little opposition in the house. The measure is the backbone of reorganization of executive departments of the state government which is made mandatory under the new constitution approved by voters in 1945.

As originally presented by the senate ways and means committee, the bill provided for a streamlined government with all power centralized in the governor, but the senate amended the measure to take some power from him and grant the senate the right to pass upon appointments of subordinate officials in the new department.

The house passed the committee substitute for house bill 317, providing a form of automobile owner and driver financial responsibility. It provides that any person who is involved in an automobile accident that results in a death, bodily injury or property damage and who fails to satisfy any final judgment lodged against him within 30 days after judgment becomes final would be prevented from driving a motor vehicle and must surrender his license.

The privilege to drive could be regained only by securing adequate insurance or other proof of financial responsibility and paying any judgment rendered.

Garden City, Kan., Changes

Everett Miller of the Weldon-Miller Land Insurance Co., Garden City, Kan., has returned to his agency after two years in the navy. Lee Kisner, former agent there, has been discharged from the army and expects to reopen his agency after a vacation in Florida. Harvey F. Jones, another Garden City agent, has sold his agency to L. J. Hineman, and E. O. Wampler has discontinued his agency.

Cincinnati Agents' Group Elects Rauh President

CINCINNATI—Frederick Rauh was reelected president of the Cincinnati Fire Underwriters Association at a meeting of the governing committee. G. B. Maggini, secretary and manager fire insurance department Perkins & Geoghegan, was elected vice-president succeeding Walter Alexander. Other committee members are D. A. Streit, manager casualty department W. P. Dolle & Co., and H. O. Roth. G. T. Warfield, Baltimore, vice-president of the N.A.I.A., will speak at the next meeting, Feb. 14.

An amendment will be presented in March which would permit substitution of one member of a fleet by another upon retirement from underwriting even though such appointment would bring the company's agency representation in excess of the four permitted under the agency limitation rule. The exemption would apply only for a period of 12 months following the date upon which the retiring company ceased to function.

Minn. Mid-Year Date Changed

MINNEAPOLIS — Because of crowded hotel conditions in Minneapolis, the Minnesota Association of Insurance Agents has changed the dates of its mid-year meeting from April 4-5 to April 17-18. Headquarters will be at the Nicollet hotel.

The South Central Minnesota Agents Regional Association, which has been more or less inactive during the war, held a reorganization meeting at New Ulm and from now on plans to hold monthly meetings, the next one Feb. 21 at Springfield. New officers are Al C. Johnson, Springfield, president; J. R. Gallery, Hutchinson, vice-president; Cecil Berkner, Sleepy Eye, secretary.

St. Louis Group Installs

ST. LOUIS—Frank Altmayer, president Altmayer Real Estate Company, was installed as president of the Associate Fire Insurance Agents & Brokers of St. Louis at the annual banquet. Vice-president is A. F. Groebel, Groebel-Senninger Co.; treasurer, W. H. Finke; secretary, E. A. Kamp, and executive secretary, Clarence C. Lang.

J. W. Barrett, former attorney general of Missouri and counsel for the association since it was organized in 1925, was toastmaster and Superintendent Jackson of Missouri was the guest of honor.

Renewal Application Required

ST. PAUL — Commissioner Newell this week mailed license application forms to 15,000 agents for renewal of their annual licenses. They must be filled out, signed and returned to the department by March 1.

This in no way affects the present procedure whereby companies requisition licenses for their agents but merely affects the agents' rights to have such licenses issued on the companies' requisition.

New Wichita Adjusting Office

Durling-Richards is a new insurance adjusting agency in Wichita operated by Edgar Durling and M. R. Richards. Both have had nine years experience in Wichita with Western Adjustment.

Kan. Short-Course in July

The "short course" of the Kansas Association of Insurance Agents approved at the November annual meeting to be held at the University of

Kansas as a special refresher course for returned veterans, has been tentatively set for the first or second week of July. It had been intended to conduct the course early in the year but housing conditions will not permit. R. S. Charlton, president of the Lawrence Insurance Board, is general chairman for the course.

C. F. Daniels and Giberson Join Hands at Alton

Dudley F. Giberson, executive partner of the Giberson Insurance Agency of Alton, Ill., has acquired the Insurance Buyers' Agency of Joliet, Ill., and



DUDLEY F. GIBERSON

Charles F. Daniels, president of the Joliet agency is moving to Alton to become manager of the Giberson agency.

Mr. Giberson effected this arrangement since leaving the army three months ago. He saw service with the third army in Europe.

The Giberson agency, which is owned jointly by Mr. Giberson and his mother, Mrs. Edith F. Giberson, was founded in 1908 by the late James A. Giberson, who died in 1933. Upon his death the management devolved upon his son Dudley, who was then attending the business school of University of Pennsylvania.

Mrs. Edith Giberson during the war managed the agency with the advice, under remote mail control of Dudley.

Mr. Daniels entered the business in 1930. He is a graduate of North Central College. He has seen service with Fred S. James & Co., Chicago; with Eagle Star as Illinois special agent; with Norwich Union as state agent. He founded the Joliet agency in 1943.

Mr. Daniels was president of the Joliet Insurance Agents' Association 1944-45, and was a member of the executive committee of the Illinois Fire Underwriters' Association, 1938-39.

Mr. Giberson was president of the Alton Rotary Club, 1936-37 and executive vice-president of the Illinois Association of Insurance Agents, 1938-39.

Start New Course in St. Paul

ST. PAUL—A 10 weeks educational course on liability and compensation has been completed by the Insurance Agents Association of St. Paul and a new course on fidelity and surety bonds started, with Arthur Angvik, Aetna Casualty, as instructor.

Repeat Detroit Courses

DETROIT—Insurance courses given last fall for returning G.I.'s, employees of companies and agencies and students

wishing to enter the insurance business, sponsored by Wayne University and the Detroit Association of Insurance Agents, will be repeated in a 16-weeks' spring session.

H. T. Stock, chairman of the association's educational committee, will instruct the fire and marine course, and Harold Reinhold, U.S.F. & G., the casualty and surety class.

Danville Activities Feb. 7

The officers and directors of the Illinois Association of Insurance Agents will gather at Danville at a luncheon meeting February 7 to plan the activities for the rest of the year. That evening, Ray L. Britt, vice-president of region four of the association, has arranged for a dinner meeting to bring into the association the newly created local board to be known as the Danville Association of Insurance Agents.

Hopkins Agency Open House

The Hopkins agency of Des Moines held an open house in its new headquarters in 206 Securities building. B. C. Hopkins, head of the agency, has been joined by both his sons, B. W. and William V., in operating the agency. They recently were discharged from the armed forces.

Ramseyer Reviews New Policy

Otto A. Ramseyer, North America state agent at Kansas City, led a discussion on the new standard policy before the Kansas City (Kan.) Association of Insurance Agents. The association's study club group on automobile insurance is nearing completion and a new course is now being considered.

Chicago Board Reelects Naghten

At the meeting of the Chicago Board last week John A. Naghten of John A. Naghten & Co. was elected president. All other officers recommended by the nominating committee were elected.

Mr. Naghten in his report reviewed the progress of the Board in 1945 and expressed thanks to committee members who had worked to make the Board a success.

Kansas 1752 Club Elects

Walter Besore, Midland Mutual state agent, was elected president of the Kansas 1752 Club at its annual meeting in Wichita. A. G. Hawthorne, Farmers Alliance, McPherson, is vice-president and F. E. Baker, Employers Mutual Casualty, Wichita, secretary.

American Battery Loss \$27,500

A fire at the American Battery Manufacturing Co., Kansas City, resulted in building loss of \$27,500, all covered by insurance. The total loss will be higher, as about 3,000 batteries and motors were destroyed.

Indiana Commissioner Speaks

Commissioner Pearson of Indiana spoke at a dinner meeting of the Terre Haute Insurance Board.

Mayor Humphrey of Minneapolis will speak at the Feb. 11 luncheon meeting of the Insurance Club of Minneapolis. Ward Senn of the Pioneer Insurance Agency is sponsoring the program.

Joe Traylor has returned to his agency at Lawrence, Kan., which had been operated by his wife while he was in the navy.

The Kirk general agency at Topeka has moved from its present location in the New England building to the second floor at 530-2 Kansas avenue.

Insurance Women of Racine had as their speaker Fred L. Bedard of the National Board arson division.

IN THE SOUTHERN STATES

North Carolina Mutual Agents' Card Announced

The North Carolina Association of Mutual Insurance Agents will hold its annual meeting in Raleigh Feb. 7-8. Commissioner Hodges will bring greetings from the insurance department. Services of the North Carolina Fire Insurance Rating Bureau will be discussed by Landon Hill, manager, and operation of the North Carolina Automobile Rate Administrative Office by John F. Fletcher, manager.

After lunch W. Emmert Swigart, president National Association of Mutual Insurance Agents, will speak. "Fire Insurance Developments" will be reviewed by James C. O'Connor, editor "Fire, Casualty & Surety Bulletins" of the National Underwriter Co.; "Automobile Financing," by John R. Chappell, Jr., manager Mutual Insurance Agency, Richmond, Va.; "Prompt Payment of Compensation Claims," T. A. Wilson, chairman North Carolina Industrial Commission.

Directors' Meeting

There will be a directors' meeting, a 1752 Club business meeting and fellowship hour and banquet.

On Friday the program consists of talks on "Financial Responsibility Law," by Edwin M. Stanley, attorney; "Casualty Insurance Developments," by Mr. O'Connor; "Selling Miscellaneous Casualty Coverages," George F. Jones, association past president; "Claim Slants," by H. B. Robertson, claim supervisor Northwestern Mutual Fire; "Profit vs. Percentage," by Earle E. Willard, supervisor Improved Risk Mutuals; "Income-Outgo-Outcome," by Floyd Hugh Craft, past president National Association of Mutual Insurance Agents, and business meeting.

Amend the Rules in Houston

Amendments have been adopted to the code of ethics, constitution and by-laws of the Insurance Exchange of Houston. These are intended to bring the operations of the organization into harmony with what is conceived to be the new insurance philosophy.

Under a new section in the code of ethics, the member pledges that he will not coerce insurance and that he will derive the amount of business from the public generally which is required by law for the issuance of a license.

The previous rule holding as ineligible to membership those agencies affiliated with real estate or mortgage lending business is rescinded. Instead there is a new rule holding as ineligible those who either in violation of the licensing law or the code of ethics of the Houston Exchange, coerce insurance or fail to get the proper proportion of their business from the general public.

O.K. Knoxville Awards

KNOXVILLE, TENN.—A special investigating committee, appointed by the new city manager, Paul Morton, to report on the recent awarding of \$1,517,500 of insurance on city property to a group of local agents, has approved in report to the city council the method of awarding the coverage, but charged that the city is lax in allowing some policies to lapse and recommending correction of this practice. W. L. Ambrose, general agent Equitable Society, was chairman of the committee and Ed Sample, Fire Association, was a member.

Hall Is Cage & Co. Marine Mgr.

Gordon Hall, formerly marine manager for the southwestern department of National Surety Marine and for many years prior to that with the marine department of Home, is now the manager of the marine department for Jack Cage & Co. in Houston.

Calhoun, Clement & Greene Open Columbia Office

The adjusting firm of Calhoun, Clement & Greene, Sumter, S. C., has opened an office at Columbia, S. C. Tim E. Cooper is fire, automobile and allied lines adjuster in the new branch and L. Marion Jordan is casualty adjuster.

Mr. Cooper started with the Oklahoma rating bureau and subsequently was Mississippi special agent for Home. Until recently he has been an independent adjuster in Florida.

Mr. Jordan, a graduate of the University of South Carolina, was in the local agency business in his native city of Columbia and was for eight years general agent for American Casualty and Associated Indemnity. He was recently discharged as a lieutenant commander after 44 months in the navy.

Calhoun, Clement & Greene is an affiliate of Julian Calhoun Claim Service, Spartanburg, S. C.; R. L. Clement Co., Savannah, Ga., and James C. Greene Co., Raleigh, N. C.

Hargis President at Birmingham

James O. Hargis, Jr., was installed as new president of the Birmingham Association of Insurance Agents at the annual dinner there. Other new officers taking office are: P. C. Jackson, vice-president; J. V. Coe, Jr., secretary-treasurer, and Ed Gardien, Norwood Barker and Nathan Goldstein, executive committeemen. John W. Wood was reelected grievance chairman and C.

Northwestern Mutual Fire Shifts Bollen to Field

Keith A. Bollen has been named special agent in northern California for Northwestern Mutual Fire. He has been chief casualty underwriter for the company in the Washington department.

The position of casualty underwriter has been filled by Robert A. Martin, formerly in the home office and for the past four years manager at Salt Lake City.

Frank J. Fletcher becomes manager at Salt Lake City. He has been in the home office for 16 years.

After three and one-half years in the AAF, R. W. Bingham has returned to the Los Angeles office of Northwestern Mutual Fire as office manager.

Mr. Bingham was a member of an air service group which serviced B-29s for atomic raids on Hiroshima and Nagasaki.

Plan California Regionals

Spring regional meetings of the California Association of Insurance Agents will start Feb. 11 in southern California with Neal Harris, past president and state national director, as principal speaker in that section of the state. The northern California meetings, which will be held the week of Feb. 18, will be conducted by President Ira D. Wheeler of Santa Monica, while those in the central part of the state will be handled by C. M. Putnam of Oakland, vice-president. This series will be held the week of March 4.

Pearse Named at Vancouver

Coincident with establishment of the new Canadian department of Scottish Union & National and Central Union under John Newlands at Toronto, A. T. M. Pearse has been named branch manager at Vancouver, B. C. He takes over the British Columbia territory from Fred W. Gaston, who has traveled that field for 42 years out of Tacoma. Mr. Gaston continues as inspector of agencies in Oregon and Washington.

C. Crawford, membership chairman.

Max Crabbe was chairman of arrangements for the dinner.

Strickland & Hardin Appointed

Strickland & Hardin, Inc., Jacksonville, has been appointed general agent for Agricultural in Florida, in addition to acting as general agent for Empire State Underwriters. Wharton Mitchell, for many years state agent for Agricultural, has joined Strickland & Hardin as a field man.

Autrey Again Asheville Head

T. C. Autrey, president-treasurer of the Autrey-Smithers agency, was re-elected president of the Asheville Insurance Agents' Exchange at the January meeting. Jack Peete was re-elected vice-president, and Joe S. Lee, secretary.

La. Reductions \$700,000

NEW ORLEANS—The fire insurance reductions in Louisiana that were effective Jan. 15, it is estimated, amount to \$700,000 annually.

Tom R. Casey, Jr., son of T. R. Casey, formerly San Antonio manager of West Coast Life, after six years in the navy, has joined Quirk & Co., San Antonio, general agents, in the underwriting department. He was on the Chicago when it was sunk.

Allen H. Wofford, in the army air corps for 3½ years, has resumed his position with Wofford Bros., Johnson City, Tenn., as assistant secretary.

The Insurance Women of Houston heard Mrs. Ola Beaubien present an outline of the Texas Statehood Centennial Birthday being celebrated Feb. 19.

PACIFIC COAST AND MOUNTAIN

Mark Long Service in Mont. Office of Pacific Board

Sylvester J. White, chief surveyor, and Frank J. Sullivan, assistant district secretary, in the Butte, Mont., district office of the Board of Fire Underwriters of the Pacific, were honored by their associates and friends at a dinner celebrating their long service.

Mr. White celebrated the completion of 25 years of continuous service and Mr. Sullivan marked his 30th anniversary. A \$25 U. S. savings bond was presented to Mr. White and a pearl cuff set to Mr. Sullivan.

It was noted that five employees in the Montana office of the Board have 25 years or more of service and service of all employees now totals 223 years or an average of 16 years.

May Force Portland Offices Out

PORTLAND, ORE.—Tenants in the Board of Trade building are greatly concerned over the reported negotiations for taking over the entire building by the Veterans Administration. Branch offices of General of Seattle, Fireman's Fund and United Pacific and also large agency firms such as Dooly & Co., and Charles W. Sexton Co., will face a critical problem in obtaining suitable space elsewhere in the city if compelled to move.

Ruppel Production Superintendent

T. A. Ruppel, state agent of Royal-Liverpool in Los Angeles, has been transferred to the San Francisco office as superintendent of production in the metropolitan department. J. Wesley Stevens, Jr., son of Jay W. Stevens, assistant manager of the National Board in San Francisco, has been appointed state agent to succeed Mr. Ruppel in Los Angeles.

Mills Heads Hawaii Committee

H. F. Mills, manager of the Pacific department of Aetna Fire, is now chair-

man of the Hawaiian Advisory Committee, succeeding Joy Lichtenstein, former Pacific Coast manager of Hartford Fire. Ray Ellis, vice-president of Fireman's Fund, is vice-chairman. Both will serve until the annual meeting in April.

Swift Is Spokane President

SPOKANE, WASH.—The Spokane Insurance Association has elected Paul L. Swift of the Swift Realty & Insurance Agency as president to succeed Charles E. Daly. Allender S. Brown of Jones & Mitchell is vice-president, and T. J. Meenach secretary-treasurer.

Adjusters' Outing Feb. 11-12

The Automobile General Adjusters Association, which has its headquarters in San Francisco but with a widespread membership, is holding its annual golf tournament and outing there Feb. 11-12 at Sonoma Mission Inn.

Luckham Rejoins Cal. Department

LOS ANGELES—Donald Luckham, recently discharged from the navy as a commander, will return to the California insurance department as administrative assistant in the Los Angeles office, assigned to administrative duties.

Two New Los Angeles Officers

LOS ANGELES—Harry Perk, Jr., has been elected treasurer of the Insurance Association of Los Angeles and Caine Farrell, secretary. O. L. Cox has resigned as a director and the board chose Fred M. Hughes to succeed him.

Southern Cal. Brokers Elect

At the annual meeting of the Insurance Brokers' Society of Southern California, O. L. Cox was elected president, succeeding B. J. Lynch. Ira S. Brander is vice-president and Louis F. Knight secretary-treasurer.

Boston Names O'Rourke & Royer

DENVER—O'Rourke & Royer, successor to the Cleveland & Miller general agency, have been named general agents in the mountain field for Boston and Old Colony.

"Ag" Makes Change in Wyo.

DENVER—Cashman & Evans have been appointed general agents for Agricultural in Wyoming. Edward Brown & Sons, San Francisco, formerly represented the company in this territory.

New Oregon Mutual President

E. C. Apperson has resigned as president of Oregon Mutual Fire and is succeeded by Lee M. Waugaman. Mr. Apperson was named chairman. He has been with the company since 1898, and president since 1938.

NEWS BRIEFS

The half interest of Jack Kennedy in the Delta Insurance Agency, Portland, Ore., has been purchased by James S. Vincent, who becomes associated with E. S. Lindley, founder of the agency. The agency, formerly a partnership, has been incorporated with Mr. Lindley as president and Mr. Vincent secretary-treasurer.

Paul Wolcott, former well known insurance broker, 60, died while on a trip to California. He was in the insurance business at San Diego during the past year.

David C. Atkinson has returned from army service and is attending Travelers home office casualty school. He was with the Phil Grossmayer Co., Portland, Ore., before entering service and plans to return to the agency about Feb. 13.

G. E. Whitaker, formerly in the independent adjusting business in Baltimore before joining the coast guard, has sailed for Honolulu, where he will establish an independent adjusting office.

A new agency has been incorporated at Tacoma under the name of Williams

& Severance by J. J. Williams and M. R. Severance.

Bryan Burge has resigned as manager of the insurance department of Pope & Talbot, Seattle, and has been named vice-president of Schwelienbach, Inc.

Because of the development of Alexander & Baldwin's steamship and merchandising business, the firm has decided to retire from the insurance business and has sold its Seattle insurance department to D. K. MacDonald & Co. J. C. Coart, with the firm since 1912, has joined MacDonald & Co.

W. Kenneth Kingman has purchased a half interest in the B. A. Slangenhuys agency, **Chelan, Wash.** He was formerly publisher of the "Chelan Valley Mirror."

M. A. Thrasher has taken over the Thrasher & Burt local agency at Wheatland, Wyo.

The Roy M. Hawkins agency, **Auburn, Wash.**, has been purchased by Mabel E. Crouch.

EAST

Fuller F.C.A.B. Manager at Huntington, W. Va.

Fire Companies Adjustment Bureau has appointed Douglas T. Fuller branch manager at Huntington, W. Va., office, succeeding E. R. Rinard. Mr. Fuller, a graduate of Harvard, joined the bureau in 1931 at Elmira, N. Y. He was subsequently transferred to Charleston, W. Va., in 1937 was assigned to Huntington, W. Va., and in 1938 was appointed adjuster in charge at Wilmington, Del. He served in the 101 airborne infantry division in Europe.

Mr. Rinard has been with the bureau 25 years and has been manager at Huntington since 1926. He has specialized in the handling of special hazard losses in the West Virginia territory and will continue to be available for such adjustments.

The bureau has opened a Parkersburg, W. Va. office, in the Richardson building, 325 Seventh street. C. A. Eblin is adjuster in charge.

Mr. Eblin has been with the bureau since 1937. He was in service two years.

National Underwriter Boston Office Is Moved

The Boston office of THE NATIONAL UNDERWRITER has been moved to 80 Boylston street, Room 1228, telephone Hubbard 8696. Until now headquarters have been maintained at 944 Park Square building. William A. Scanlon recently assumed charge as vice-president of the business affairs of THE NATIONAL UNDERWRITER in the New England states, with headquarters at Boston. Mr. Scanlon formerly traveled out of Chicago in several middle western states.

Binder Club Annual Dinner Held Feb. 7

The Binder Club of Baltimore has planned its sixth annual dinner dance for Feb. 7, the anniversary of the Baltimore fire of 1904. This is the first time the dinner has been held since the start of the war.

Guests at the festivities in the Emerson hotel will be John B. Gontrum, former Maryland commissioner, Commissioner Ensor and Jacob Gross.

Glens Falls Agencies Merge

The Carson and Cline-Duffy agencies of Glens Falls, N. Y., have been consolidated into the Carson-Duffy agency. President is Russell M. L. Carson, former president New York State Association of Local Agents; vice-president and treasurer is Robert E. Duffy and secretary, Attella P. Duffy.

The Carson agency was founded in 1896 by Charles H. Carson, father of the present owner, and is thus marking its 50th anniversary.

Dye Joins E. C. Moore Agency

Stanley M. Dye, on terminal leave after serving overseas with the military

government, has been elected a director and vice-president of E. C. Moore, Inc., Rochester, N. Y., agency. He is taking a training course at the home office of Maryland Casualty Company and soon will take up his duties with the agency.

Planet Philadelphia Setup

Samuel J. Carr, resident vice-president of Standard Accident, has been named manager there of the affiliated Planet. W. K. Conard, manager of the casualty department, will act as assistant manager of Planet.

Henry H. Wilder, Jr., who has been discharged from the army air forces with the rank of major, has joined the sales department of Marsh & McLennan at Boston. Prior to the war he was with Patterson, Wylde & Windeler. Duncan F. Thayer, who was a captain in the marines, has returned to the M. & M. sales department at Boston.

CANADIAN

Ontario Associations Elect

H. A. Roberts has been elected president of the Windsor Fire & Casualty Insurance Agents Association. Vice-president is F. A. Larkin; secretary, Joseph Morand.

William Arthur has been elected president of the Owen Sound, Ont., association. Secretary is F. S. MacLachlan.

Call Inland Conference Feb. 4

Norman G. Bethune, chairman of the new Canadian Inland Underwriters Conference, has called a special meeting in Toronto Feb. 4 to acquaint company inspectors and head and branch office inland marine underwriters with the new manual issued by the Conference. A later meeting will be held in Montreal.

Cutler with Century Group

Harry Cutler has been appointed assistant manager of Pacific Coast Fire and assistant manager for Canada of Century, Anglo-Scottish and Southern. He was formerly with Commercial Union in Toronto, Montreal and Vancouver.

Young with Phoenix, Conn.

Austin M. Young has been appointed inspector of Phoenix of Hartford for the Niagara, Ont., district. Prior to six years of service with the Canadian army, he was a partner in the Toronto agency of Young & McWhinney.

Holden Toronto Assistant Manager

John Holden has been appointed assistant manager of London & Lancashire Guarantee & Accident of Canada in Toronto. He has been with the company since 1924 and went to Canada in 1929.

Royal-Liverpool Promotions

Royal-Liverpool has promoted A. Stuart Knight to assistant secretary at the Canadian head office. L. T. Gartland is appointed assistant manager of the Halifax.

George Belyea, formerly with the Montreal claim department, has been appointed resident claim adjuster at Ottawa of General Accident.

F.C.A.B. Opens Augusta Branch

Fire Companies Adjustment Bureau is opening a new branch at 146 State street, Augusta, Me., in charge of Ellis S. Perrigo.

Mr. Perrigo prior to joining the bureau in 1943 was with various manufacturers and retailers in Maine. He will be assisted by Paul A. Sincerbox, formerly at Bangor.

MARINE

Notton in New Post for N.B.&M.

The North British group has appointed Albert H. Notton superintendent of the inland marine and special lines department for the western states except Illinois. He will make his headquarters at 1906 Bryant building, Kansas City. Until June, 1943 when he entered the service he had been Iowa state agent.

Mr. Notton has been with North British since 1929. He was in the home office in various underwriting capacities until 1934 when he was promoted to special agent in Missouri. He remained in that post for over six years, and then was advanced to state agent in Iowa.

Hufstader Returns to Millers

Lt. Col. Robert R. Hufstader, formerly Iowa-Nebraska state agent, has returned to Millers National after a four year term of duty, to join the inland marine department at the home office.

Col. Hufstader was detailed to the military police for three years as a provost marshal, and last year served as assistant to the chief of the labor branch headquarters, 7th service command. He is a veteran of both wars.

Longmuir Back in Seattle

After 3½ years in the navy as a lieutenant, James S. Longmuir has resumed his old duties as special agent of Marine Office of America in Seattle under northwest Manager Paul A. Carew.

Henry C. Thorn Is Reelected

Henry C. Thorn, North America, was reelected president of the Board of Underwriters of New York at the annual meeting. Also reelected were J. Whit-

ney Baker, Carpenter & Baker, first vice-president; Harold Jackson, Wm. H. McGee & Co., second vice-president, and Owen C. Torrey, Marine Office of America, treasurer.

Owen C. Torrey, general manager of the Marine Office of America, New York City, has been made chairman of the marine insurance division for the National Service Fund of the Disabled American Veterans.

After 45 years in the office of the Board of Marine Underwriters of Seattle, **Miss Sarah H. Feas** has retired. The staff of the Seattle office and friends honored her at a dinner. She was presented a wrist watch by the board.

MOTOR

Heavy Collision Rate Increases Are in Prospect

Collision rate increases running to as high as 40% in some places, it is now understood, will be made effective Feb. 15. The heaviest increase will be in California where the loss record is particularly adverse. Labor costs in southern California, it is reported, have skyrocketed.

Changes will not be made at this time in New York because the department is making certain studies and analyses. Last November the New York department notified the National Automobile Underwriters Association that it intended to analyze the figures when they were submitted and make adjustments if necessary. It suggested that N.A.U.A. adopt a classification rating plan for collision similar to that used in the automobile casualty field.

IN CLEVELAND
IT'S THE



HOME OF THE FAMOUS

VOGUE ROOM

1000 ROOMS WITH BATH
RADIO IN EVERY ROOM
FIVE FINE RESTAURANTS
CENTRAL DOWNTOWN LOCATION

C. J. Cover Makes Some Guesses as to Court Holdings

(CONTINUED FROM PAGE 2)

so would in effect result in Congress enacting 48 different sets of laws with their administrative machinery to govern a subject of interstate commerce as to which uniformity is a cardinal requisite.

The section may properly be given effect as a withdrawal of Congress for an indefinite time from the insurance interstate commerce field. This leaves the states free to legislate, subject only to the residual force of the commerce clause. The Supreme Court will stand by to apply the commerce clause whenever called upon to do so, and the issue will always be whether the law or regulation, under all the circumstances, affects interstate commerce and, if so, whether the effect is contrary to the essential purposes of the commerce clause to keep commerce among the states free and unencumbered.

The Supreme Court will be mindful of the fact that Congress has declared that the continued regulation and taxation by the states of insurance is in the public interest but it will not thereby abdicate its position as protector of the

constitution. The court will likely say that Congress, by its declaration, could not have intended to deprive the commerce clause and the court of their constitutional prerogatives but rather that the declaration was made with the knowledge and assurance that state laws and regulations would be held within bounds. Beyond this the declaration will relieve the court from the necessity of considering the unspoken intent of Congress relative to the field of interstate insurance commerce and thus the states will not be excluded from that field by the mere silence of Congress.

The court will likely minimize the requisite of uniformity in interstate commerce regulation and confine its function to the avoidance of invidious restraints and interferences through discriminating or hostile state laws.

At one point in taking up the Robinson-Patman act, he said that the crux of the matter is discrimination in price of commodity sold in interstate commerce when the effect of such discrimination may be substantially to lessen competition or tend to create a monopoly. Speaking from the standpoint of life insurance, he said this does not fit the situation of direct insurance which is sold to individuals not in competition. Reinsurance, he said, presents the only insurance situation to which this subsection may possibly have any application.

If reinsurance can be said to fall within the definition of a commodity, and

if its discriminatory sale in any case were effected under circumstances such as to substantially lessen competition or tend to create monopoly, a case within the law would be presented. However, he was inclined to minimize this possibility. As to the FTC act, Mr. Cover said that opinions are diverse in life insurance circles. Some feel that legislation should be enacted which will go as far as possible to pre-empt the field to state control while others take a laissez faire attitude either because of despair of the power of the states to enact completely adequate legislation or a conviction that the federal government will not attempt to intrude the FTC act upon insurance.

Comment by Bendiner

In his discussion on Mr. Cover's talk, Irvin Bendiner, Philadelphia, New York Life, expressed sharp disapproval of the number of tax suits being conducted by life insurance companies. He said he thinks the insurance business can and should keep itself out of the newspapers and out of the courts, that Congress, in his opinion, was very glad to turn insurance back to the states and asked only that the states and the insurance business get together and run themselves smoothly. A flood of court decisions, he said, is the quickest way to give Congress the idea that the states cannot handle the insurance business properly and he questioned whether, at least some suits may not have been started with an eye toward bringing about federal supervision eventually.

Mr. Bendiner also decried the attempts of the life insurance business on the one hand and the fire and casualty business on the other hand to divorce themselves. He said the laws and court decisions make no distinction between any form of insurance and any attempt on the part of the insurance industry to divide itself is dangerous and again inviting federal control.

VA On-the-Job Training Pushed in Insurance

(CONTINUED FROM PAGE 3)

gram is surprisingly simple. First, the employer gets in touch with the Board of Vocational Education, or its equivalent in his state. From this state office, he can obtain an application form and instructions on how to set up an on-the-job training program.

After he has received the application form, and begins drawing up a training program, the employer must decide over how long a period he wants the training of his veteran-employee to extend with benefits from the V.A. The administration advises a training period of from six months to two years, but will allow for exceptional cases outside these limits.

Employer Sets Salary

The employer sets the objective salary which the employee may be expected to receive upon completion of training. Neither minimum or maximum limitations are set upon the salary, but in case of an extreme in either direction, the V.A. could be expected to ask some questions before approving the plan. Likewise, the actual salary which the employer certifies he will pay the veteran at the start of and during his training must be a fair one.

The application for approval also calls upon the employer to break up the training period into sections with salary advancement after the satisfactory completion of each section. Emphasis in any course is upon practical rather than academic training.

When the employer has filled out the form and outlined his program, he sends the application to the vocational education board in the state where his office is located for approval. If the state approves the plan, it is sent to the local branch of the Veterans Administration

for final approval. There are representatives in both the V.A. branches and the state educational departments whose job it is to assist employers in arranging on-the-job training programs. They will answer any questions.

Vet Must Be Certified

Before the individual program can be finally approved, the veteran must be certified. He accomplishes this by filing Form 1950 with the Veterans Administration together with a certified copy of his discharge papers. Veterans can get assistance in this matter by applying at the contact division of their local V.A. office.

After on-the-job training is certified, the employer is required to fill out a monthly wage certificate which the V.A. will send him. In this way, the administration is given a check upon the progress of the veteran and any changes in the differential between the actual salary and the objective salary.

One obstacle to wide adoption of on-the-job training program by the insurance industry is the refusal up to this time of the Veterans Administration to pay benefits in the case where a veteran employee is working on commission with nothing guaranteed monthly. The V.A. however, has no objection to a system whereby the trainee is given a drawing account which enables him to receive advances on future commissions, so that he is guaranteed an adequate stipend each month.

French Government Turns Back Bonds on Big Deal

Surety interests were much disappointed when the French government decided to turn back bonds covering contracts aggregating about \$100 million for some 36,000 freight and gondola cars with Pullman Standard Manufacturing Co., General Car Foundries and Pressed Steel Co. The bonds had been written and delivered. The final decision was particularly disappointing because the French government, it is understood, intends to give orders in this country for about \$2 billion of railroad equipment and it was thought that contract bonds might be required in connection with the entire program.

The conference companies had promulgated a reduced rate based upon a reduction in commissions but it was apparently not low enough to satisfy the French authorities. There is some talk that the French government may offer to pay the expenses to which the surety companies and agents were put in arranging for the bonds but it seems certain there will be no charge made against the contractors.

Los Angeles Group Has Party

LOS ANGELES—The Casualty Insurance Adjusters Association of Southern California held its annual dinner-dance with vaudeville entertainment.

Alan H. Bonito & Co., 80 John street, New York have been appointed casualty and bond agents for Ocean Accident

H. M. Rink, district manager of the State Farm companies at Norfolk, Neb., died suddenly. He was very active in Association work. He was past president of the Norfolk Life Underwriters Association and past state vice-president.



IT'S A GOOD MORNING IN

ST. LOUIS

AFTER A COMFORTABLE NIGHT AT

HOTEL LENNOX

WASHINGTON AT NINTH

A DIRECTORY OF RESPONSIBLE INDEPENDENT ADJUSTERS

DIST. OF COLUMBIA

1921 — 25TH ANNIVERSARY — 1946
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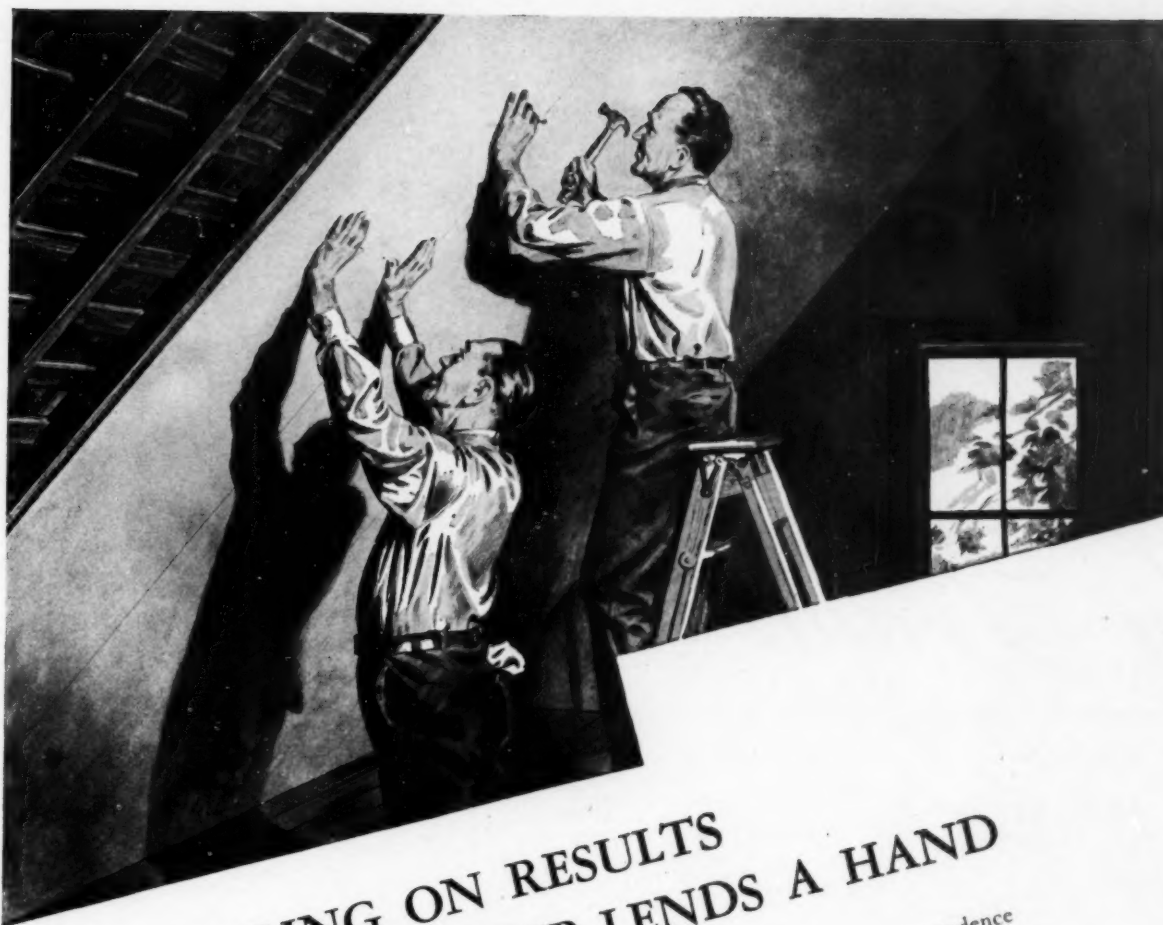
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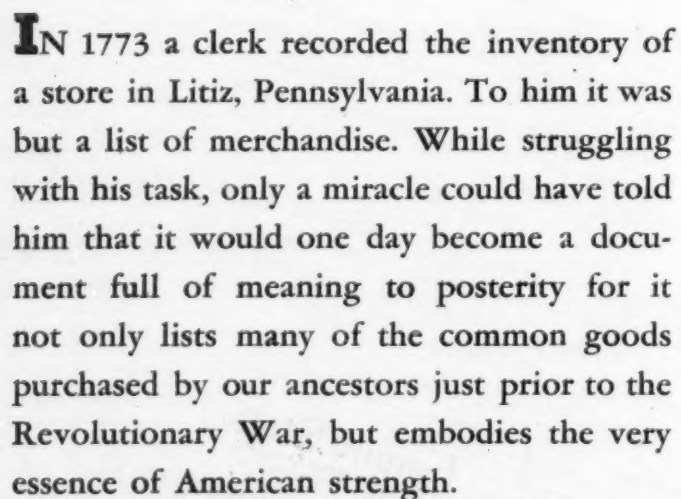
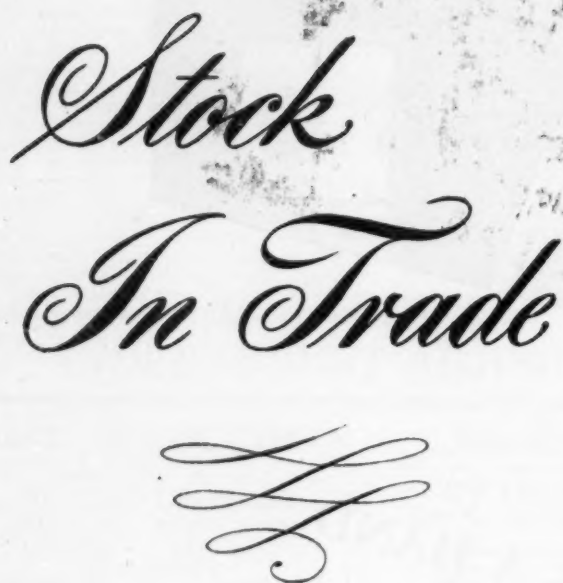
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